

FY 2015-2016

Part 2 of 2



State of North Carolina
Department of the Secretary of State

ELAINE F. MARSHALL
SECRETARY OF STATE

CHARITABLE SOLICITATION LICENSING DIVISION

VIA CERTIFIED MAIL

June 29, 2016

Mr. Terry Acome, President & Treasurer
The Cape Fear Flyers NC, Inc.
331 Smilax Lane
Wilmington, NC 28412

RE: 2015 CSL 05980 – The Cape Fear Flyers NC, Inc.

Dear Mr. Acome:

The North Carolina Department of the Secretary of State, Charitable Solicitation Licensing Division received the signed settlement agreement on behalf of The Cape Fear Flyers NC, Inc. and agreed upon penalty payment in the amount of five hundred dollars (\$500.00). Please find enclosed a fully executed copy of the Settlement Agreement for your records.

If you have any questions or concerns, please feel free to contact me at the number below.

Sincerely,

A handwritten signature in black ink, appearing to read "Verlyn C. Porte".

Verlyn C. Porte,
Attorney & Enforcement Supervisor



State of North Carolina
Department of the Secretary of State

ELAINE F. MARSHALL
SECRETARY OF STATE

CHARITABLE SOLICITATION LICENSING DIVISION

SETTLEMENT AGREEMENT

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Mr. Terry Acome, President & Treasurer
The Cape Fear Flyers NC, Inc.
331 Smilax Lane
Wilmington, NC 28412

In the Matter of: The Cape Fear Flyers NC, Inc.
CSL FILE NO.: 2015 CSL 05980

This Settlement Agreement is entered into by the North Carolina Department of the Secretary of State [hereinafter "Department"], Charitable Solicitation Licensing Division [hereinafter "CSL"] and The Cape Fear Flyers NC, Inc. to set forth the terms of agreement for payment of financial penalties assessed in an Administrative Order for Penalties and to Cease and Desist Solicitation Activities issued on December 10, 2015 by CSL; and served on December 12, 2015 by certified mail. This Order imposed penalties pursuant to the North Carolina Charitable Solicitation Act, §131F-1 *et seq.* and/or Rules implementing the Act.

WHEREAS, CSL is charged with charitable solicitation licensing and enforcement in North Carolina under the Charitable Solicitation Act and Chapter 11 of Title 18 of the North Carolina Administrative Code; and

WHEREAS, on December 10, 2015, CSL issued an Administrative Order for Penalties and to Cease and Desist Solicitation Activities (hereinafter referred to as "Order") signed by Deputy Secretary of State, Haley Haynes, to The Cape Fear Flyers NC, Inc., assessing ONE THOUSAND DOLLARS (\$1,000.00) in financial penalties pursuant to the Charitable Solicitation Act and/or relevant Rules; and

WHEREAS, the Order was properly served and included a Notice of Appeal Rights to the Office of Administrative Hearings (OAH) in compliance with Article 3 of the North Carolina Administrative Procedure Act, N.C. Gen. Stat. §150B; and

WHEREAS, The Cape Fear Flyers NC, Inc. did not appealed the Order and instead desires to enter into a settlement agreement to satisfy the financial penalty assessed in the aforementioned Order; and

WHEREAS, on May 20, 2016, June Knott, School Liaison, The Cape Fear Flyers NC, Inc. telephoned Verlyn C. Porte, CSL Attorney, regarding the administrative order and payment of the assessed penalty; and

WHEREAS, on June 6, 2016, CSL received The Cape Fear Flyers NC, Inc.'s Exemption Request form which satisfied the requirements for issuance of an exemption from the licensure requirement of the charitable solicitation license pursuant to N.C.G.S. §131F-3(3); and

WHEREAS, on June 10, 2016, The Cape Fear Flyers NC, Inc. and the Department reached an agreement to accept the amount of FIVE HUNDRED DOLLARS (\$500.00) in settlement of the ONE THOUSAND DOLLARS (\$1000.00) penalty assessed in the December 10, 2015 Administrative Order; and

WHEREAS, The Cape Fear Flyer NC, Inc.'s financial penalty payment of FIVE HUNDRED DOLLARS (\$500.00) is to be submitted to CSL on June 17, 2016, in full settlement of the ONE THOUSAND DOLLARS (\$1000.00) penalty assessed in the Order; and

WHEREAS, negotiations have been successful between the parties concerning the settlement agreement terms; and

THEREFORE, the parties have agreed to settle all outstanding issues through this Settlement Agreement, the specific terms of which are listed in the subsequent numbered paragraphs. The parties hereby agree as follows:

1. The Cape Fear Flyer NC, Inc. through its President, Terry Acome, and the Department through CSL Director, Gail L. Eluwa, agrees to the terms as outlined further in this Settlement Agreement to resolve all issues, including the financial penalties assessed in the Order issued by CSL to New Beginnings Center on December 10, 2015.
2. The Cape Fear Flyer NC, Inc. shall make one financial payment of Five Hundred Dollars (\$500.00) on June 17, 2016 to CSL in settlement of the financial penalty assessed in the December 10, 2015 Administrative Order.
3. The Cape Fear Flyer NC, Inc. shall send two notarized copies of the original Settlement Agreement to be received by CSL on or before June 23, 2016 by the close of business (5:00 p.m.). This document shall be sent to the attention of Gail L. Eluwa, CSL Director, to one of the following addresses:

For regular mail, use the following address:

Gail L. Eluwa, CSL Director
North Carolina Department of the Secretary of State
Charitable Solicitation Licensing Division
Post Office Box 29622
Raleigh, NC 27626-0622

For overnight mail, use the following address:

Gail L. Eluwa, CSL Director
North Carolina Department of the Secretary of State
Charitable Solicitation Licensing Division
2 South Salisbury Street
Raleigh, NC 27601

3. If two copies of the fully executed settlement agreement are not received on or before the June 23, 2016 deadline, without further notice, CSL will issue an Order to assess further penalties up to ONE THOUSAND DOLLARS (\$1,000.00) per day for each day the settlement agreement is not received.

4. CSL agrees, and upon completion of the requirements, will grant an Exemption from the licensure requirement of the Charitable Solicitation Act to The Cape Fear Flyer NC, Inc.

5. The Cape Fear Flyer NC, Inc. agrees that by entering into this Settlement Agreement, it Request an Exemption from the licensure requirement of the Charitable Solicitation Act annually; and if it no longer qualifies for the exemption, The Cape Fear Flyer NC, Inc. will not solicit charitable contributions in the State of North Carolina until it holds a valid charitable solicitation license. Furthermore, The Cape Fear Flyer NC, Inc. acknowledges that failure to obtain an exemption or a charitable solicitation license prior to charitable solicitation in the State of North Carolina, may result in the issuance of additional financial penalties.

7. The Cape Fear Flyer NC, Inc. further acknowledges that by entering into this Settlement Agreement, it agrees not to contest the December 10, 2015 Order, and any of the provisions of the aforesaid Order, whether or not the challenge is barred by the applicable statute of limitations.

8. The parties agree that CSL does not waive any authority on behalf of the Secretary of State to take action in the future for any and all violations of the Charitable Solicitation Act, N. C. Gen. Stat. § 131F-1 *et seq.* and the relevant Rules provisions found in Chapter 11 of Title 18 of the North Carolina Administrative Code.

9. Entry into this Settlement Agreement by The Cape Fear Flyer NC, Inc. is not an admission of liability for the violations set forth in the Order. The Cape Fear Flyer NC, Inc., however, does not dispute that the facts set forth in the Order are accurate. CSL does not concede by entering into this Settlement Agreement that it would not have prevailed at a hearing on this matter. The parties, however, agree that this Settlement Agreement is a compromise that avoids the time and expense of a hearing.

10. The parties agree that all parts of the Order issued by CSL on December 10, 2015, which are not addressed specifically in this Settlement Agreement are considered resolved without further proceedings related to this contested case.

11. This Settlement Agreement shall be given effect and shall be construed under the laws of the State of North Carolina, which retains jurisdiction of this matter.

12. The undersigned individuals represent that they have the legal capacity and authority to bind the entities on whose behalf they are signing with regard to all issues addressed by and resolved in this Settlement Agreement.

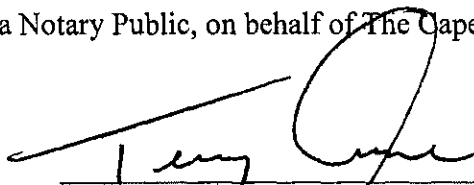
13. All parties acknowledge that they have entered into this Settlement Agreement freely and voluntarily and without any coercion.

14. All parties further acknowledge that they have read and understand the terms of this Agreement and that they have had the opportunity to consult with counsel in deciding whether to enter into this Agreement.

15. This Settlement Agreement constitutes the entire agreement reached by the parties hereto. Any discussions outside the terms of this Agreement are not a part hereof.

16. Any modifications to this Settlement Agreement must be in writing and signed by all parties.

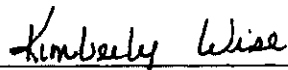
17. This Settlement Agreement shall first be signed by Terry Acome, President, The Cape Fear Flyer NC, Inc., under oath before a Notary Public and then forwarded to Gail L. Eluwa, CSL Director, for signature. The Agreement is effective on the date on which Terry Acome signs under oath, before a Notary Public, on behalf of The Cape Fear Flyer NC, Inc.



Terry Acome, President
The Cape Fear Flyer NC, Inc.

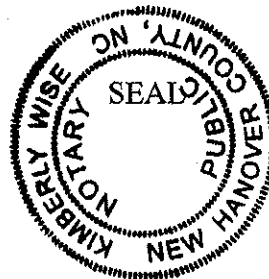
Sworn to and subscribed before me,

This the 20 day of June, 2016.



Notary Public

New Hanover, North Carolina
County and State



My commission expires: 8-4-18

Gail L. Eluwa

Gail L. Eluwa, Director
Charitable Solicitation Licensing Division
North Carolina Secretary of State

Sworn to and subscribed before me,

This the 28 day of June, 2016.

Jeanette Blount
Notary Public

Wake, North Carolina
County and State

My commission expires: 6-27-2021




7014 0510 0001 6441 5515

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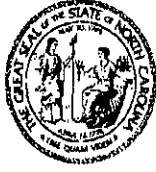
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To 

Send	Terry Acome, President & Treasurer
Street or P.O.	The Cape Fear Flyers NC, Inc.
City	331 Smilax Lane
	Wilmington, NC 28412



State of North Carolina
Department of the Secretary of State

ELAINE F. MARSHALL
SECRETARY OF STATE

CHARITABLE SOLICITATION LICENSING

CERTIFIED MAIL RETURN RECEIPT REQUESTED

May 27, 2016

Lori Brady, Executive Director
Randolph Fellowship Home, Inc.
P.O. Box 2543
Asheboro, NC 27204

Re: Settlement Agreement

Dear Ms. Brady:

Please find enclosed the Settlement Agreement regarding the April 4, 2016 Administrative Order with penalty (hereinafter, Order). The Agreement resolves all issues in the Order issued by the Charitable Solicitation Licensing Division of the North Carolina Department of the Secretary of State. I have enclosed two originals of the Agreement. Please sign both copies before a Notary and return **both** of the originals to our office for signature by the CSL Director, Gail L. Eluwa, before a notary. The Division will mail you a copy to retain for your records.

As the Agreement states, both signed original Agreements should be returned to CSL on or before June 6, 2016. Should you fail to execute the Agreement by the aforementioned deadline, the entire financial penalty assessed in the Order, in the amount of \$2,000.00 (Two Thousand Dollars) shall immediately become due for failure to comply with the terms of this Agreement. The regular and overnight mailing addresses of CSL are in the Agreement and I have enclosed a payment form to accompany your payment.

I look forward to receiving the signed Settlement Agreement. Please let me know if you have any questions or need further information regarding this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Verlyn C. Porte".

Verlyn C. Porte,
CSL Attorney & Enforcement Supervisor



State of North Carolina
Department of the Secretary of State

ELAINE F. MARSHALL
SECRETARY OF STATE

CHARITABLE SOLICITATION LICENSING DIVISION

SETTLEMENT AGREEMENT

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Lori Brady, Executive Director
Randolph Fellowship Home, Inc.
P.O. Box 2543
Asheboro, NC 27204

In the Matter of: Randolph Fellowship Home, Inc.
CSL FILE NO.: 2015 CSL 05981

This Settlement Agreement is entered into by the North Carolina Department of the Secretary of State [hereinafter "Department"], Charitable Solicitation Licensing Division [hereinafter "CSL"] and Randolph Fellowship Home, Inc. to set forth the terms of agreement for payment of financial penalties assessed in an Administrative Order for Penalties and to Cease and Desist Solicitation Activities issued on April 4, 2016 by CSL; and served on April 14, 2016 by certified mail. This Order imposed penalties pursuant to the North Carolina Charitable Solicitation Act, §131F-1 *et seq.* and/or Rules implementing the Act.

WHEREAS, CSL is charged with charitable solicitation licensing and enforcement in North Carolina under the Charitable Solicitation Act and Chapter 11 of Title 18 of the North Carolina Administrative Code; and

WHEREAS, on April 4, 2016, CSL issued an Administrative Order for Penalties and to Cease and Desist Solicitation Activities (hereinafter referred to as "Order") signed by CSL Director, Gail L. Eluwa, to Randolph Fellowship Home, Inc., assessing TWO THOUSAND DOLLARS (\$2,000.00) in financial penalties pursuant to the Charitable Solicitation Act and/or relevant Rules; and

WHEREAS, the Order was properly served and included a Notice of Appeal Rights to the Office of Administrative Hearings (OAH) in compliance with Article 3 of the North Carolina Administrative Procedure Act, N.C. Gen. Stat. §150B; and

WHEREAS, Randolph Fellowship Home, Inc. did not appealed the Order and instead desires to enter into a settlement agreement to satisfy the financial penalty assessed in the aforementioned Order; and

WHEREAS, on April 25, 2016, Lori Brady, Executive Director of Randolph Fellowship Home, Inc., telephoned Verlyn C. Porte, CSL Attorney, regarding the administrative order and payment of the assessed penalty; and

WHEREAS, on April 28, 2016, CSL received Randolph Fellowship Home, Inc.'s charitable solicitation license renewal application, which later satisfied the requirements for issuance of a charitable solicitation license pursuant to N.C.G.S. §131F-23(e)(4); and

WHEREAS, on May 18, 2016, Randolph Fellowship Home, Inc. and the Department reached an agreement to accept three financial payments totaling the amount of ONE THOUSAND DOLLARS (\$1000.00), in settlement of the TWO THOUSAND DOLLARS (\$2000.00) penalty assessed in the April 4, 2016 Order; and

WHEREAS, Randolph Fellowship Home, Inc.'s financial penalty payments are scheduled as follows: May 31, 2016, CSL shall receive Randolph Fellowship Home, Inc.'s first penalty payment in the amount of three hundred and thirty-five dollars (\$335.00.00); and on June 28, 2016, CSL shall receive Randolph Fellowship Home, Inc.'s second penalty payment in the amount of three hundred and thirty-five dollars (\$335.00.00); and on July 26, 2016, CSL shall receive Randolph Fellowship Home, Inc.'s final penalty payment in the amount of three hundred and thirty dollars (\$330.00.00); in full settlement of the TWO THOUSAND DOLLARS (\$2000.00) penalty assessed in the April 4, 2016 Order; and

WHEREAS, negotiations have been successful between the parties concerning the settlement agreement terms; and

THEREFORE, the parties have agreed to settle all outstanding issues through this Settlement Agreement, the specific terms of which are listed in the subsequent numbered paragraphs. The parties hereby agree as follows:

1. Randolph Fellowship Home, Inc., through its Executive Director, Lori Brady, and the Department through CSL Director, Gail L. Eluwa, agrees to the terms as outlined further in this Settlement Agreement to resolve all issues, including the financial penalties assessed in the Order issued by CSL to Randolph Fellowship Home, Inc. on April 4, 2016.

2. Randolph Fellowship Home, Inc. shall make the following financial payments to CSL in settlement of the financial penalty assessed in the April 4, 2016 Order as follows:

May 31, 2016, three hundred and thirty-five dollars (\$335.00.00); and

June 28, 2016, three hundred and thirty-five dollars (\$335.00.00); and

July 26, 2016, three hundred and thirty dollars (\$330.00.00).

3. Randolph Fellowship Home, Inc. shall send two notarized copies of the original Settlement Agreement to be received by CSL on or before June 6, 2016 by the close of business (5:00 p.m.). This document shall be sent to the attention of Gail L. Eluwa, CSL Director, to one of the following addresses:

For regular mail, use the following address:

Gail L. Eluwa, CSL Director
North Carolina Department of the Secretary of State
Charitable Solicitation Licensing Division
Post Office Box 29622
Raleigh, NC 27626-0622

For overnight mail, use the following address:

Gail L. Eluwa, CSL Director
North Carolina Department of the Secretary of State
Charitable Solicitation Licensing Division
2 South Salisbury Street
Raleigh, NC 27601

3. If two copies of the fully executed settlement agreement are not received on or before the June 6, 2016 deadline, without further notice, CSL will issue an Order to assess further penalties up to ONE THOUSAND DOLLARS (\$1,000.00) per day for each day the settlement agreement is not received.

4. Pursuant to this Settlement Agreement, CSL has issued Randolph Fellowship Home, Inc. a charitable solicitation license effective May 26, 2016, with an expiration date of May 15, 2017.

5. Randolph Fellowship Home, Inc. agrees that by entering into this Settlement Agreement, it will renew its charitable solicitation license annually, within the timeline established by CSL's policy; and acknowledges that failure to timely renew its charitable solicitation license may result in the issuance of additional financial penalties.

7. Randolph Fellowship Home, Inc. acknowledges that by entering into this Settlement Agreement, it agrees not to contest the April 4, 2016 Order, and any of the provisions of the aforesaid Order, whether or not the challenge is barred by the applicable statute of limitations.

8. The parties agree that CSL does not waive any authority on behalf of the Secretary of State to take action in the future for any and all violations of the Charitable Solicitation Act, N. C. Gen. Stat. § 131F-1 *et seq.* and the relevant Rules provisions found in Chapter 11 of Title 18 of the North Carolina Administrative Code.

9. Entry into this Settlement Agreement by Randolph Fellowship Home, Inc. is not an admission of liability for the violations set forth in the Order of April 4, 2016. Randolph Fellowship Home, Inc., however, does not dispute that the facts set forth in the Order are accurate. CSL does not concede by entering into this Settlement Agreement that it would not have prevailed at a hearing on this matter. The parties, however, agree that this Settlement Agreement is a compromise that avoids the time and expense of a hearing.

10. The parties agree that all parts of the Order issued by CSL on April 4, 2016, which are not addressed specifically in this Settlement Agreement are considered resolved without further proceedings related to this contested case.

11. This Settlement Agreement shall be given effect and shall be construed under the laws of the State of North Carolina, which retains jurisdiction of this matter.

12. The undersigned individuals represent that they have the legal capacity and authority to bind the entities on whose behalf they are signing with regard to all issues addressed by and resolved in this Settlement Agreement.

13. All parties acknowledge that they have entered into this Settlement Agreement freely and voluntarily and without any coercion.

14. All parties further acknowledge that they have read and understand the terms of this Agreement and that they have had the opportunity to consult with counsel in deciding whether to enter into this Agreement.

15. This Settlement Agreement constitutes the entire agreement reached by the parties hereto. Any discussions outside the terms of this Agreement are not a part hereof.

16. Any modifications to this Settlement Agreement must be in writing and signed by all parties.

17. This Settlement Agreement shall first be signed by Lori Brady, Executive Director, Randolph Fellowship Home, Inc., under oath before a Notary Public and then forwarded to Gail L. Eluwa, CSL Director, for signature. The Agreement is effective on the date on which Lori Brady signs under oath, before a Notary Public, on behalf of Randolph Fellowship Home, Inc.

Lori Brady, Executive Director
Randolph Fellowship Home, Inc.

Sworn to and subscribed before me,

This the _____ day of _____, 2016.

Notary Public

SEAL

County and State

My commission expires: _____

Gail L. Eluwa, Director
Charitable Solicitation Licensing Division
North Carolina Secretary of State

Sworn to and subscribed before me,

This the _____ day of _____, 2016.

Notary Public

SEAL

County and State

My commission expires: _____

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Lon Brady, Executive Director
Randolph Fellowship Home, Inc
PO Box 2543
Asheboro, NC 27204

ES-VP

Instructions

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5
6 **IN THE UNITED STATES DISTRICT COURT**
7 **FOR THE DISTRICT OF ARIZONA**

8
9 Federal Trade Commission; all Fifty
10 States; and the District of Columbia;

11 Plaintiffs,

12 vs.

13 Cancer Fund of America, Inc., a Delaware
14 corporation, et al.;

15 Defendants.

CASE NO. 2:15-cv-00884-NVW

**STIPULATION RE ORDER FOR
PERMANENT INJUNCTION AND
MONETARY JUDGMENT AGAINST
CANCER FUND OF AMERICA, INC.,
CANCER SUPPORT SERVICES,
INC., AND JAMES REYNOLDS, SR.**

16
17 Plaintiffs, the Federal Trade Commission (“FTC” or “Commission”) and the states
18 of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware,
19 Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana,
20 Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana,
21 Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North
22 Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South
23 Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West
24 Virginia, Wisconsin, Wyoming, and the District of Columbia have filed a complaint for a
25 permanent injunction and other equitable relief against Defendants Cancer Fund of
26 America, Inc., also d/b/a Breast Cancer Financial Assistance Fund (“CFA”), Cancer
27 Support Services, Inc. (“CSS”), Children’s Cancer Fund of America, Inc. (“CCFOA”),

28 STIPULATION RE ORDER FOR PERMANENT INJUNCTION AS TO CFA, CSS, AND REYNOLDS. SR.

1 and The Breast Cancer Society, Inc., also d/b/a The Breast Cancer Society of America
2 (“BCS”), James Reynolds, Sr. (“Reynolds, Sr.”), and other individuals, alleging that all
3 named Defendants violated, among other statutes, the Federal Trade Commission Act, 15
4 U.S.C. § 45, the Telemarketing and Consumer Fraud and Abuse Prevention Act
5 (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108, and the Unfair and Deceptive Acts and
6 Practices and Charitable Solicitation laws of the Plaintiff States. Plaintiffs and
7 Defendants CFA, CSS, and Reynolds, Sr. stipulate to the entry of this Stipulated Order
8 for Permanent Injunction and Monetary Judgment Against Cancer Fund of America, Inc.,
9 Cancer Support Services, Inc., and James Reynolds, Sr. (“Order” or “Permanent
10 Injunction”). Plaintiffs and Defendants CFA, and CSS also stipulate to the entry of a
11 separate and concurrently filed Stipulated Order Appointing Liquidating Receiver Over
12 Cancer Fund of America, Inc., and Cancer Support Services, Inc. (“CFA and CSS
13 Receivership Order”). Together, this Order and the CFA and CSS Receivership Order
14 resolve all matters in dispute in this action between Plaintiffs and Defendants CFA, CSS,
15 and Reynolds, Sr.

16 THEREFORE, IT IS ORDERED as follows:

17 FINDINGS

- 18 1. This Court has jurisdiction over this matter.
- 19 2. Venue is proper in the District of Arizona.
- 20 3. The Complaint charges that Defendants CFA and CSS were sham charities
21 and that they, in concert with Reynolds, Sr., among others, engaged in deceptive acts or
22 practices by making false and misleading claims in charitable solicitations in violation of
23 Section 5 of the FTC Act, 15 U.S.C. § 45, the Telemarketing Sales Rule (“TSR”), 16
24 C.F.R. Part 310, and the following state statutes regulating charitable solicitations and
25 prohibiting deceptive and/or unfair trade practices:
26

27
28 STIPULATION RE ORDER FOR PERMANENT INJUNCTION AS TO CFA, CSS, AND REYNOLDS. SR.

1	Alabama:	ALA. CODE §§ 8-19-1 through -15; and 13A-9-70 through 76.
2	Alaska:	ALASKA STAT. §§ 45.50.471 through 45.50.561; and 45.68.010 through 45.68.900.
3	Arizona:	ARIZ. REV. STAT. ANN. §§ 44-1521 through 44-1534 and 44-6551 through 44-6561.
4	Arkansas:	ARK. CODE ANN. §§ 4-28-401 through 4-28-416; and §§ 4-88-101 through 4-88-115.
5	California:	CAL. GOV. CODE §§ 12580 through 12599.6; CAL. BUS. & PROF. CODE §§ 17200 through 17206; and §§ 17510 through 17510.95.
6	Colorado:	COLO. REV. STAT. §§ 6-1-101 through 115; and 6-16-101 through 114.
7	Connecticut:	CONN. GEN. STAT. §§ 21a-175 through 21a-190l; and 42-110a through 42-110q.
8	Delaware:	DEL. CODE ANN. tit. 6, § 2513(a) (1998); tit. 6, § 2532(a) (1995); and tit. 6, §§ 2595(a) – (b) (1995).
9	Florida:	FLA. STAT. ch. 501, Part II; and ch. 496 (2013).
10	Georgia:	GA. CODE ANN. §§ 43-17-1 through 43-17-23 (2011).
11	Hawaii:	HAW. REV. STAT. §§ 467B-9.6, 467B-9.7(d), and 467B-10.5; 480-15; and Act 217 §2 Haw. Sess. Laws (2014).
12	Idaho:	IDAHO CODE ANN. §§ 48-601 through 619; and 48-1201 through 1206.
13	Illinois:	225 ILL. COMP. STAT. §§ 460/0.01 through 460/23.
14	Indiana:	IND. CODE §§ 24-5-0.5-1 through -12.
15	Iowa:	IOWA CODE § 714.16.
16	Kansas:	KAN. STAT. ANN. §§ 17-1759 through 17-1776.
17	Kentucky:	KY. REV. STAT. ANN. §§ 367.110 through 367.300.
18	Louisiana:	LA. REV. STAT. ANN. §§ 51:1401 through 1427; and 51:1901 through 1909.1.
19	Maine:	ME. REV. STAT. ANN. tit. 5, §§ 205-A through 214.
20	Maryland:	MD. CODE ANN., BUS. REG. §§ 6-101 through 6-701 (2010).
21	Massachusetts:	MASS. GEN. LAWS ch. 12 §§ 8 through 8M, 10; ch. 68 §§ 18 through 35; and ch. 93A §§ 1 through 11.
22	Michigan:	MICH. COMP. LAWS §§ 400.271 through 400.294.
23	Minnesota:	MINN. STAT. ch. 309.
24	Mississippi:	MISS. CODE ANN. §§ 79-11-501 through 79-11-529.
25	Missouri:	MO. REV. STAT. ch. 407.
26	Montana:	MONT. CODE ANN. § 30-14-103.
27	Nebraska:	NEB. REV. STAT. §§ 21-1901 through 21-19,177; 59-1601 through 59-1622; and 87-301 through 87-306.
28	Nevada:	NEV. REV. STAT. §§ 598.1305, 598.0915(15), 598.096, 598.0963, and 598.097.

New Hampshire:	N.H. REV. STAT. ANN. §§ 7:19; 7:20; 7:21; 7:24; 7:28; 7:28-c; 7:28-f; and 641:8.
New Jersey:	N.J. STAT. ANN. §§ 45:17A-18 through 45:17A-32(c); 56:8-1 through 56:8-20; and N.J. ADMIN. CODE §§ 13:48-1.1 through 13:48-15.1.
New Mexico:	N.M. STAT. §§ 57-12-1 through 57-12-22; and §§ 57-22-1 through 57-22-11 (1978).
New York:	N.Y. EXEC. LAW §§ 63 (12); 171-a through 175; and N.Y. GEN. BUS. LAW § 349.
North Carolina:	N.C. GEN. STAT. ANN. §§ 75-1.1; and 131F.
North Dakota:	N.D. CENT. CODE §§ 50-22-01 through 50-22-07; and 51-15-01 through 51-15-11.
Ohio:	OHIO REV. CODE ANN. § 1716.
Oklahoma:	OKLA. STAT. ANN. tit. 18 §§ 552.1 through 552.22.
Oregon:	OR. REV. STAT. §§ 128.886; and 646.605 through 646.636.
Pennsylvania:	10 PA. STAT. ANN. §§ 162.1 through .14 (1990).
Rhode Island:	R.I. GEN. LAWS §§ 5-53.1-1 through 5-53.1-18.
South Carolina:	S.C. CODE ANN. §§ 33-56-10 through 33-56-200.
South Dakota:	S.D. CODIFIED LAWS §§ 37-30-17 through 37-30-21; and 21-34-1 through 21-34-14.
Tennessee:	TENN. CODE ANN. §§ 48-101-501 through 48-101-522.
Texas:	TEX. BUS. & COM. CODE ANN. §§ 17.41 through 17.63.
Utah:	UTAH CODE ANN. §§ 13-11-1 through 13-11-23; 13-22-1 through 13-22-23; and 13-26-1 through 13-26-11.
Vermont:	VT. STAT. ANN. tit. 9 §§ 2453 through 2461; and 2471 through 2479.
Virginia:	VA. CODE ANN. §§ 57-48 through 57-69.
Washington:	WASH. REV. CODE §§ 19.86; and § 19.09.
West Virginia:	W.VA. CODE §§ 29-19-1 -15b; and 46A-1-101 through 46a-6-110.
Wisconsin:	WIS. STAT. §§ 202.11-202.18.
Wyoming:	WYO. STAT. ANN. §§ 40-12-101 through 114.

4. Defendants CFA, CSS, and Reynolds, Sr. neither admit nor deny any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, these Defendants admit the facts necessary to establish jurisdiction.

5. Defendants CFA, CSS, and Reynolds, Sr. waive any claim that they may have under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the

1 prosecution of this action through the date of this Order, and agree to bear their own costs
2 and attorney fees.

3 6. Defendants CFA, CSS, and Reynolds, Sr. waive all rights to appeal or
4 otherwise challenge or contest the validity of this Order.

5 7. Entry of this Order is in the public interest.

6 **DEFINITIONS**

7 For purposes of this Order, the following definitions shall apply:

8 1. “Defendants” means the individual defendant James Reynolds, Sr. and the
9 corporate defendants Cancer Fund of America, Inc., and Cancer Support Services, Inc.,
10 individually, collectively, or in any combination.

11 2. “CFA” means Cancer Fund of America, Inc., also d/b/a Breast Cancer
12 Financial Assistance Fund, and its successors and assigns.

13 3. “CSS” means Cancer Support Services, Inc., and its successors and assigns.

14 4. “Reynolds, Sr.” means individual defendant James Reynolds, Sr.

15 5. “CFA and CSS Receivership Order” means the “Stipulated Order
16 Appointing Liquidating Receiver Over Cancer Fund of America, Inc., and Cancer
17 Support Services, Inc.”

18 6. “CFA and CSS Receiver” or “Receiver” means the receiver appointed over
19 the CFA and CSS receivership estate by the CFA and CSS Receivership Order.

20 7. “Person” means a natural person, an organization or other legal entity,
21 including a corporation, partnership, sole proprietorship, limited liability company,
22 association, cooperative, or any other group or combination acting as an entity.

23 8. “Charitable contribution” means any donation or gift of money or any other
24 thing of value.

25 9. “Donor” or “consumer” means any person solicited to make a charitable
26 contribution.

10. “Fundraising” means a plan, program, or campaign that is conducted to induce charitable contributions by mail, telephone, electronic mail, social media, or any other means.

11. “Nonprofit organization” means any person that is, or is represented to be, a nonprofit entity, or that has, or is represented to have, a charitable purpose, specifically including but not limited to any such entity that purports to benefit, either in whole or in part, individuals who suffer or have suffered from cancer.

12. “Plaintiff States” means the states of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming, and the District of Columbia.

13. “Solicitor” means any person who solicits a charitable contribution.

14. “Telemarketing” means a plan, program, or campaign that is conducted to induce the purchase of goods or services or a charitable contribution, by use of one or more telephones and that involves a telephone call, whether or not covered by the Telemarketing Sales Rule.

15. “And” and “or” shall be construed both conjunctively and disjunctively to make the applicable sentence or phrase inclusive rather than exclusive.

ORDER

I. CORPORATE DISSOLUTION

IT IS FURTHER ORDERED that, pursuant to the CFA and CSS Receivership Order of which CFA and CSS have consented to entry, the CFA and CSS Receiver shall

STIPULATION RE ORDER FOR PERMANENT INJUNCTION AS TO CFA, CSS, AND REYNOLDS. SR.

1 take the steps necessary to cause CFA and CSS to be dissolved and to cease to exist as
2 corporate entities.

3 **II. PROHIBITIONS RELATED TO CHARITABLE ACTIVITIES**

4 IT IS FURTHER ORDERED that Reynolds, Sr. is permanently restrained and
5 enjoined from engaging in the following activities individually or in concert with other
6 persons or entities, directly or indirectly:

7 A. Receiving any payment or other financial benefit for: (1) participating or
8 assisting in the solicitation of charitable contributions, directly or indirectly, including by
9 advising, acting as an independent contractor or as a fundraising consultant, supplying
10 contact or donor lists, or providing caging, mail processing, or fulfillment services, or
11 (2) controlling, directly or indirectly, or holding an ownership interest in, any entity
12 engaged in the business of fundraising;

13 B. Receiving any payment or other financial benefit from any nonprofit
14 organization or other entity that holds charitable assets for any work, services, or
15 employment of any kind;

16 C. Establishing, operating, controlling, or managing any nonprofit
17 organization or other entity that holds charitable assets, or any program thereof, or
18 participating or assisting in establishing, operating, controlling, or managing any
19 nonprofit organization or other entity that holds charitable assets, directly or indirectly,
20 whether compensated or not, including by serving as a founder, incorporator, officer,
21 director, trustee, chief executive, manager, supervisor, or other fiduciary; and

22 D. Managing, controlling, directing, distributing, or accounting for the use or
23 application of any charitable asset, or participating or assisting in managing, controlling,
24 directing, distributing, or accounting for the use or application of any charitable asset,
25 directly or indirectly, whether compensated or not, including by acting as an employee,
26 independent contractor, advisor, or consultant.

E. **Provided that**, subject to the limitations of Sections II.A - D above, Reynolds, Sr. may volunteer for his church in any capacity not prohibited by the above.

III. PROHIBITION ON MISREPRESENTATIONS

IT IS FURTHER ORDERED that Reynolds, Sr., CFA, CSS, their respective officers, agents, employees, and independent contractors, and all other persons in active concert or participation with them who receive actual notice of this Order, whether acting directly or indirectly, are hereby permanently restrained and enjoined from making material misrepresentations in connection with the sale of consumer goods or services.

IV. TELEMARKETING SALES RULE COMPLIANCE

IT IS FURTHER ORDERED that Reynolds, Sr., CFA, CSS, their respective officers, agents, employees, and independent contractors, and all other persons in active concert or participation with them who receive actual notice of this Order, whether acting directly or indirectly, are hereby permanently restrained and enjoined from violating, or assisting others in violating, any provision of the TSR, 16 C.F.R. Part 310, as currently promulgated or as it hereafter may be amended.

V. COMPLIANCE WITH STATE LAW

IT IS FURTHER ORDERED that CFA, CSS, their respective officers, agents, employees, and independent contractors, and Reynolds, Sr., whether acting directly or indirectly, are hereby permanently restrained and enjoined from violating, or assisting others in violating, any provision of the following state laws:

Alabama:	ALA. CODE §§ 8-19-1 through -15; and 13A-9-70 through 76.
Alaska:	ALASKA STAT. §§ 45.50.471 through 45.50.561; and 45.68.010 through 45.68.900.
Arizona:	ARIZ. REV. STAT. ANN. §§ 44-1521 through 44-1534 and 44-6551 through 44-6561.
Arkansas:	ARK. CODE ANN. §§ 4-28-401 through 4-28-416; and §§ 4-88-101 through 4-88-115.
California:	CAL. GOV. CODE §§ 12580 through 12599.6; CAL. BUS. & PROF. CODE §§ 17200 through 17206; and §§ 17510 through 17510.95.

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1	Colorado:	COLO. REV. STAT. §§ 6-1-101 through 115; and 6-16-101 through 114.
2	Connecticut:	CONN. GEN. STAT. §§ 21a-175 through 21a-190l; and 42-110a through 42-110q.
3	Delaware:	DEL. CODE ANN. tit. 6, § 2513(a) (1998); tit. 6, § 2532(a) (1995); and tit. 6, §§ 2595(a) – (b) (1995).
4	Florida:	FLA. STAT. ch. 501, Part II; and ch. 496 (2013).
5	Georgia:	GA. CODE ANN. §§ 43-17-1 through 43-17-23 (2011).
6	Hawaii:	HAW. REV. STAT. §§ 467B-9.6, 467B-9.7(d), and 467B-10.5; 480-15; and Act 217 §2 Haw. Sess. Laws (2014).
7	Idaho:	IDAHO CODE ANN. §§ 48-601 through 619; and 48-1201 through 1206.
8	Illinois:	225 ILL. COMP. STAT. §§ 460/0.01 through 460/23.
9	Indiana:	IND. CODE §§ 24-5-0.5-1 through -12.
10	Iowa:	IOWA CODE § 714.16.
11	Kansas:	KAN. STAT. ANN. §§ 17-1759 through 17-1776.
12	Kentucky:	KY. REV. STAT. ANN. §§ 367.110 through 367.300.
13	Louisiana:	LA. REV. STAT. ANN. §§ 51:1401 through 1427; and 51:1901 through 1909.1.
14	Maine:	ME. REV. STAT. ANN. tit. 5, §§ 205-A through 214.
15	Maryland:	MD. CODE ANN., BUS. REG. §§ 6-101 through 6-701 (2010).
16	Massachusetts:	MASS. GEN. LAWS ch. 12 §§ 8 through 8M, 10; ch. 68 §§ 18 through 35; and ch. 93A §§ 1 through 11.
17	Michigan:	MICH. COMP. LAWS §§ 400.271 through 400.294.
18	Minnesota:	MINN. STAT. ch. 309.
19	Mississippi:	MISS. CODE ANN. §§ 79-11-501 through 79-11-529.
20	Missouri:	MO. REV. STAT. ch. 407.
21	Montana:	MONT. CODE ANN. § 30-14-103.
22	Nebraska:	NEB. REV. STAT. §§ 21-1901 through 21-19,177; 59-1601 through 59-1622; and 87-301 through 87-306.
23	Nevada:	NEV. REV. STAT. §§ 598.1305, 598.0915(15), 598.096, 598.0963, and 598.097.
24	New Hampshire:	N.H. REV. STAT. ANN. §§ 7:19; 7:20; 7:21; 7:24; 7:28; 7:28-c; 7:28-f; and 641:8.
25	New Jersey:	N.J. STAT. ANN. §§ 45:17A-18 through 45:17A-32(c); 56:8-1 through 56:8-20; and N.J. ADMIN. CODE §§ 13:48-1.1 through 13:48-15.1.
26	New Mexico:	N.M. STAT. §§ 57-12-1 through 57-12-22; and §§ 57-22-1 through 57-22-11 (1978).
27	New York:	N.Y. EXEC. LAW §§ 63 (12); 171-a through 175; and N.Y. GEN. BUS. LAW § 349.

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North Carolina:	N.C. GEN. STAT. ANN. §§ 75-1.1; and 131F.
North Dakota:	N.D. CENT. CODE §§ 50-22-01 through 50-22-07; and 51-15-01 through 51-15-11.
Ohio:	OHIO REV. CODE ANN. § 1716.
Oklahoma:	OKLA. STAT. ANN. tit. 18 §§ 552.1 through 552.22.
Oregon:	OR. REV. STAT. §§ 128.886; and 646.605 through 646.636.
Pennsylvania:	10 PA. STAT. ANN. §§ 162.1 through .14 (1990).
Rhode Island:	R.I. GEN. LAWS §§ 5-53.1-1 through 5-53.1-18.
South Carolina:	S.C. CODE ANN. §§ 33-56-10 through 33-56-200.
South Dakota:	S.D. CODIFIED LAWS §§ 37-30-17 through 37-30-21; and 21-34-1 through 21-34-14.
Tennessee:	TENN. CODE ANN. §§ 48-101-501 through 48-101-522.
Texas:	TEX. BUS. & COM. CODE ANN. §§17.41 through 17.63.
Utah:	UTAH CODE ANN. §§ 13-11-1 through 13-11-23; 13-22-1 through 13-22-23; and 13-26-1 through 13-26-11.
Vermont:	VT. STAT. ANN. tit. 9 §§ 2453 through 2461; and 2471 through 2479.
Virginia:	VA. CODE ANN. §§ 57-48 through 57-69.
Washington:	WASH. REV. CODE §§ 19.86; and §19.09.
West Virginia:	W.VA. CODE §§ 29-19-1 -15b; and 46A-1-101through 46a-6-110.
Wisconsin:	WIS. STAT. §§ 202.11-202.18.
Wyoming:	WYO. STAT. ANN. §§ 40-12-101 through 114.

VI. COOPERATION

IT IS FURTHER ORDERED that CFA, CSS, and Reynolds, Sr. must cooperate fully with Plaintiffs' representatives in this case and in any investigation related to or associated with the transactions or the occurrences that are the subject of the Complaint. CFA, CSS, and Reynolds, Sr. must provide truthful and complete information, evidence, and testimony. Reynolds, Sr. must appear, and CFA and CSS must cause their officers, employees, representatives, or agents to appear for interviews, discovery, hearings, trials, and any other proceedings that any Plaintiff's representative may reasonably request upon five days written notice, or other reasonable notice, at such places and times as any Plaintiff's representative may designate, without the service of a subpoena.

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VII. MONETARY JUDGMENT

IT IS FURTHER ORDERED that judgment is hereby entered against Defendants as follows:

A. Judgment in the amount of Seventy-Five Million, Eight Hundred Twenty-Five Thousand, Six Hundred Fifty-Three Dollars (\$75,825,653) is entered in favor of Plaintiffs against CFA, CSS, and Reynolds, Sr., jointly and severally, as equitable monetary relief;

B. Payments by CFA and CSS:

1. In partial satisfaction of this judgment, the CFA and CSS Receiver shall take the necessary steps to wind down the affairs of CFA and CSS and liquidate their assets in the manner set forth in the CFA and CSS Receivership Order, and deposit all net assets to the short term court ordered trust fund (hereinafter "STCO Fund") described in Section VIII.E, below;

2. Payments made by the CFA and CSS Receiver to the STCO Fund on behalf of CFA and CSS shall be credited toward satisfaction of the judgment against CFA and CSS;

C. Payments by Reynolds, Sr.:

1. Reynolds, Sr. shall, within five days of entry of this Order, transfer ownership, possession, custody, and control, together with any documents of title or authenticity necessary for sale, to the CFA and CSS Receiver of the following items, which are described more fully in the financial statements specified in Section VII.C.3, below:

- a) 15 framed art prints;
- b) 5 Remington statues;
- c) 50 collector beer steins; and
- d) 1 Versa 9 mm pistol and 1 Smith & Wesson 9 mm pistol.

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1 Reynolds, Sr. shall forever waive, release, discharge, and disclaim all right, title, and
2 interest in these items. The CFA and CSS Receiver shall be authorized to sell these items
3 and to credit the net proceeds of the sale to the outstanding debt owed by Reynolds, Sr. to
4 CFA. Reynolds, Sr. shall fully cooperate with the efforts of the CFA and CSS Receiver
5 to sell these items.

6 2. Reynolds, Sr. shall immediately take specific steps necessary to sell,
7 for Fair Market Value to a third-party buyer, his 2009 Premier Boundary Waters Sky
8 Deck pontoon boat ("boat") identified in the Financial Statements specified in Section
9 VII. C.3, below, and, within three days of the boat's sale, pay to the STCO Fund
10 identified in Section VIII.E below, the proceeds of the sale, after paying off any existing
11 loan or other monetary obligation owed on the boat, subject to the following:

12 a) Reynolds, Sr. shall immediately advertise the boat for sale
13 through an online auction service or place the boat for sale through an appropriate broker
14 or boat listing service and provide notice to Plaintiffs of the proposed sale price;

15 b) Reynolds, Sr., represents that no encumbrances have been
16 added to the boat since he provided his sworn financial statement of June 26, 2015, and
17 that he will make the loan repayments due on the boat loan and not otherwise add any
18 encumbrances after signing this Order, except as needed to secure his performance under
19 this Section;

20 c) Until the boat is sold, Reynolds, Sr. shall i) maintain the boat
21 in good working order and in the same condition as reported in his sworn financial
22 statement of June 26, 2015; ii) take no action to diminish the value of the boat; iii) remain
23 current on all amounts due and payable on the boat, including but not limited to tax,
24 insurance, reasonable and necessary maintenance, registration, and similar fees; and
25 iv) cause existing insurance coverage for the boat to remain in force until any transfer of
26 ownership. In the event that the boat suffers any loss or damage covered by such
27 insurance policy, Reynolds, Sr. shall make such claims as are permitted by the insurance

1 policy and shall assign or remit any insurance payment they receive as a result of such
2 loss or damage to the STCO Fund described in Section VIII.E, below;

3 d) If, after 90 days from the date of entry of this Order, the boat
4 has not been sold, Reynolds, Sr. shall immediately either i) retain an auction company,
5 direct such auction company to sell the boat at a public auction, and pay the net proceeds
6 to the STCO fund, or ii) surrender possession, custody, and control of the boat to the
7 lender holding the lien on the boat and deliver notice of such surrender to Plaintiffs'
8 counsel; and

9 e) Reynolds, Sr. shall in no way profit from the sale of the boat,
10 including by sharing in any sales commission or fee, or by receiving anything of value in
11 kind. Upon sale of the boat, Reynolds, Sr. shall forever waive, release, discharge, and
12 disclaim all right, title, and interest in the boat.

13 3. Further execution of the monetary judgment shall be suspended as to
14 Reynolds, Sr., subject to Sections VII.C.4-5, below. Plaintiffs' agreement to the
15 suspension of the judgment owed by Reynolds, Sr. is expressly premised upon the
16 truthfulness, accuracy, and completeness of Reynolds, Sr.'s sworn financial statements
17 and related documents submitted to Plaintiffs, namely, the Financial Statement of
18 Individual, signed on June 26, 2015 (including attachments), additional financial
19 information provided on June 30, 2015; July 15, 2015; August 14, 2015; September 17 -
20 21, 2015; January 22, 2016, and February 2, 2016; and the sworn financial interview of
21 Reynolds, Sr. on September 15, 2015.

22 4. The suspension of the judgment will be lifted as to Reynolds, Sr. if, upon
23 motion by any Plaintiff, the Court finds that Reynolds, Sr. failed to disclose any material
24 asset, materially misstated the value of any asset, or made any other material
25 misstatement or omission in the representations made in the sworn financial statements
26 and related documents identified Section VII.C.3, above. If the suspension of the
27 judgment is lifted pursuant to this provision, the judgment becomes immediately due in

1 the amount specified in Section VII.A above as to Reynolds, Sr. (which the Parties
2 stipulate for purposes only of this Section represents the consumer injury alleged in the
3 Complaint for which Reynolds, Sr. is jointly and severally liable with CFA and CSS),
4 less any payment previously made pursuant to this Section, plus interest computed from
5 the date of entry of this Order.

6 5. The suspension of the judgment will be lifted as to Reynolds, Sr. if, upon
7 motion by any Plaintiff State, the Court finds that Reynolds, Sr. has violated any
8 provision of Section II, above, and a judgment in the amount set forth in Section VII.A
9 above, less any prior payments by Reynolds, Sr., CFA, or CSS, becomes immediately
10 due as to Reynolds, Sr. The judgment amount shall be payable to the moving Plaintiff
11 State, which shall use any money collected pursuant to the requirements of Section
12 VIII.E.2, below.

13 **VIII. ADDITIONAL MONETARY PROVISIONS**

14 IT IS FURTHER ORDERED that:

15 A. CFA, CSS, and Reynolds, Sr. relinquish dominion and all legal and
16 equitable right, title, and interest in all assets transferred pursuant to this Order and the
17 CFA and CSS Receivership Order, and may not seek the return of any assets;

18 B. The facts alleged in the Complaint will be taken as true, without further
19 proof, in any subsequent civil litigation by or on behalf of the Plaintiffs or the CFA and
20 CSS Receiver, including in a proceeding to enforce their rights to any payment or
21 monetary judgment pursuant to this Order, such as a nondischargeability complaint in
22 any bankruptcy case;

23 C. The facts alleged in the Complaint establish all elements necessary to
24 sustain an action by Plaintiffs pursuant to Section 523(a)(2)(A) of the Bankruptcy Code,
25 11 U.S.C. § 523(a)(2)(A), and this Order will have collateral estoppel effect for such
26 purposes;

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28 STIPULATION RE ORDER FOR PERMANENT INJUNCTION AS TO CFA, CSS, AND REYNOLDS. SR.

1 D. CFA, CSS, and Reynolds, Sr. acknowledge that their Taxpayer
2 Identification Numbers, Social Security Numbers and/or Employer Identification
3 Numbers, which Defendants previously submitted to Plaintiffs, may be used for
4 collecting and reporting on any delinquent amount arising out of this Order, in
5 accordance with 31 U.S.C. § 7701; and

6 E. Payment to the Plaintiff States:

7 1. All money paid to the Plaintiff States pursuant to this Order shall be
8 made by wire transfer to the Litigation Deposits Trust Fund (Fund Code “T-xx-909N”),
9 an interest bearing trust fund held by the Hawaii Attorney General’s Office in trust for
10 the Plaintiff States (“the short-term court ordered trust fund” or “STCO Fund”);

11 2. The STCO Fund shall be used to pay: (a) pursuant to cy pres,
12 qualifying charitable organizations with charitable purposes substantially similar to the
13 purposes for which CFA and CSS solicited funds, and (b) the Plaintiff States to reimburse
14 costs of the investigation and litigation and to pay attorneys’ fees. When payment(s)
15 from the STCO Fund are appropriate, the Plaintiff States shall submit to this Court a
16 Motion and Proposed Order recommending cy pres recipients and the amounts to be paid
17 to such recipients and/or the amounts to be paid to reimburse the Plaintiff States for their
18 costs and attorneys’ fees. The Hawaii Attorney General shall distribute monies from the
19 STCO Fund only as authorized and directed by this Court. CFA, CSS, and Reynolds, Sr.
20 have no right to challenge any recommendations regarding monetary distributions made
21 by the Plaintiff States.

22 **IX. ORDER ACKNOWLEDGMENTS**

23 IT IS FURTHER ORDERED that Reynolds, Sr. provide acknowledgment of
24 receipt of this Order:

25 A. Reynolds, Sr., within seven days of entry of this Order, must submit to
26 Plaintiff Federal Trade Commission an acknowledgment of receipt of this Order sworn
27 under penalty of perjury;

28 STIPULATION RE ORDER FOR PERMANENT INJUNCTION AS TO CFA, CSS, AND REYNOLDS. SR.

1 B. For five years after entry of this Order, Reynolds, Sr., for any business that
2 he, individually or collectively with any other Defendant named in this matter, is the
3 majority owner or controls directly or indirectly, must deliver a copy of this Order to:
4 (1) all principals, officers, directors, and LLC managers and members; (2) all employees,
5 agents, and representatives who participate in conduct related to the subject matter of this
6 Order; and (3) any business entity resulting from any change in structure as set forth in
7 Section X below. Delivery must occur within seven days of entry of this Order for
8 current personnel. For all others, delivery must occur before they assume their
9 responsibilities; and

10 C. From each individual or entity to which Reynolds, Sr. delivered a copy of
11 this Order, Reynolds, Sr. must obtain, within 30 days, a signed and dated
12 acknowledgment of receipt of this Order.

13 **X. COMPLIANCE REPORTING**

14 IT IS FURTHER ORDERED that Reynolds, Sr. make timely submissions to
15 Plaintiff Federal Trade Commission.

16 A. One year after entry of this Order, Reynolds, Sr. must submit a compliance
17 report, sworn under penalty of perjury. Reynolds, Sr. must:

18 1. Identify all his telephone numbers and all physical, postal, email and
19 Internet addresses, including all residences;

20 2. Identify all his business activities, including any business for which
21 he performs services whether as an employee or otherwise and any entity in which he has
22 any ownership interest;

23 3. Describe in detail his involvement in each such business, including
24 title, role, responsibilities, participation, authority, control, and any ownership;

25 4. Identify all such businesses by all of their names, telephone
26 numbers, and physical, postal, email, and Internet addresses;

1 5. Describe the activities of each business, including the goods and
2 services offered, the means of advertising, marketing, sales, methods of payment, and the
3 involvement of any other Defendant named in this matter (which Reynolds, Sr. must
4 describe if he knows or should know due to his own involvement);

5 6. Identify the primary physical, postal, and email address and
6 telephone number, as designated points of contact, which Plaintiffs or their
7 representatives may use to communicate with him;

8 7. For any activity with any nonprofit organization:

9 a. identify each such nonprofit organization by all of its names,
10 telephone number[s], and physical, postal, email, and Internet addresses; and

11 b. describe in detail his involvement in each such nonprofit
12 organization, including any title, role, responsibilities, participation, authority, and
13 control;

14 8. Describe in detail whether and how Reynolds, Sr. is in compliance
15 with each Section of this Order; and

16 9. Provide a copy of each Order Acknowledgment obtained pursuant to
17 this Order, unless previously submitted to Plaintiff Federal Trade Commission.

18 B. For ten years after entry of this Order, Reynolds, Sr. must submit a
19 compliance notice, sworn under penalty of perjury, within 14 days of any change in the
20 following:

21 1. Reynolds, Sr. must report any change in: (a) any designated point of
22 contact; or (b) the structure of any entity that he has any ownership interest in or controls
23 directly or indirectly that may affect compliance obligations arising under this Order,
24 including: creation, merger, sale, or dissolution of the entity or any subsidiary, parent, or
25 affiliate that engages in any acts or practices subject to this Order.

26 2. Reynolds, Sr. must report any change in: (a) name, including aliases
27 or fictitious names, or residence address; or (b) title or role in any business activity,

28 STIPULATION RE ORDER FOR PERMANENT INJUNCTION AS TO CFA, CSS, AND REYNOLDS. SR.

1 including any business for which he performs services, whether as an employee or
2 otherwise, and any entity in which he has any ownership interest or controls, directly or
3 indirectly, and identify the name, physical address, and any Internet address of the
4 business or entity.

5 C. Reynolds, Sr. must submit notice of the filing of any bankruptcy petition,
6 insolvency proceeding, or similar proceeding by or against him within 14 days of its
7 filing.

8 D. Any submission required by this Order to be sworn under penalty of perjury
9 must be true and accurate and comply with 28 U.S.C. § 1746, such as by concluding: “I
10 declare under penalty of perjury under the laws of the United States of America that the
11 foregoing is true and correct. Executed on [date] at [location]” and supplying the date,
12 location, signatory’s full name, title (if applicable), and signature.

13 E. Unless otherwise directed by a Commission representative in writing, all
14 submissions to Plaintiff Federal Trade Commission pursuant to this Order must be
15 emailed to DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to:

16 Associate Director for Enforcement,
17 Bureau of Consumer Protection,
18 Federal Trade Commission,
19 600 Pennsylvania Avenue NW,
Washington, DC 20580

20 The subject line of each submission must begin: FTC v. Cancer Fund of America, et al.

21 **XI. RECORDKEEPING**

22 IT IS FURTHER ORDERED that Reynolds, Sr. must create certain records for ten
23 years after entry of this Order, and retain each such record for five years. Specifically,
24 for any business that he, individually or collectively with any other Defendant named in
25 this matter, is a majority owner or controls directly or indirectly, he must create and
26 retain the following records:

1 A. Accounting records showing revenues from all goods or services sold or
2 billed;

3 B. Personnel records showing, for each person providing services, whether as
4 an employee or otherwise, that person's name; address; telephone number; job title or
5 position; dates of service; and reason for termination (if applicable);

6 C. Records of all consumer complaints, whether received directly or indirectly,
7 such as through a third party, and any response;

8 D. All records necessary to demonstrate full compliance with each provision
9 of this Order, including all submissions to Plaintiff Federal Trade Commission; and

10 E. A copy of each unique advertisement or other marketing material.

11 **XII. COMPLIANCE MONITORING**

12 IT IS FURTHER ORDERED that, for purposes of monitoring Reynolds, Sr.'s
13 compliance with this Order, including the accuracy of the financial representations upon
14 which the judgment was suspended:

15 A. Within 14 days of receipt of a written request from a representative of any
16 Plaintiff, Reynolds, Sr. must submit additional compliance reports or other requested
17 information, which must be sworn under penalty of perjury; appear for depositions; and
18 produce documents for inspection and copying. Plaintiffs are also authorized to obtain
19 discovery, without further leave of court, using any of the procedures prescribed by
20 Federal Rules of Civil Procedure 29, 30 (including telephonic depositions), 31, 33, 34,
21 36, 45, and 69.

22 B. For matters concerning this Order, Plaintiffs are authorized to communicate
23 directly with Reynolds, Sr. Reynolds, Sr. must permit representatives of any Plaintiff to
24 interview any employee or other person affiliated with him who has agreed to such an
25 interview. The person interviewed may have counsel present.

26 C. Plaintiffs may use all other lawful means, including posing, through their
27 representatives, as consumers, suppliers, or other individuals or entities, to Reynolds, Sr.

28 STIPULATION RE ORDER FOR PERMANENT INJUNCTION AS TO CFA, CSS, AND REYNOLDS. SR.

1 or any individual or entity affiliated with him, without the necessity of identification or
2 prior notice. Nothing in this Order limits Plaintiff Federal Trade Commission's lawful
3 use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C.
4 §§ 49, 57b-1, or the Plaintiff States' lawful use of relevant state laws governing pre-suit
5 investigation and discovery.

6 D. Upon written request from a representative of the Commission or any
7 Plaintiff State, any consumer reporting agency must furnish a consumer report
8 concerning Reynolds, Sr. pursuant to Section 604(1) of the Fair Credit Reporting Act, 15
9 U.S.C. §1681b(a)(1).

10 **XIII. RETENTION OF JURISDICTION**

11 IT IS FURTHER ORDERED that that this Court retains jurisdiction of this matter
12 for purposes of construction, modification, and enforcement of this Order.

13 **XIV. STATE COURT ENFORCEMENT**

14 Without limiting the above provisions, CFA, CSS, and Reynolds, Sr. agree that the
15 provisions of Sections II, III, and V of this Order may be enforced by any Plaintiff State
16 in a court of general jurisdiction in that Plaintiff's state if that Plaintiff State has reason to
17 believe that persons in its state have been affected. Defendants CFA, CSS, and Reynolds,
18 Sr. consent to any such court's jurisdiction for purposes of enforcing the terms of
19 Sections II, III, and V of this Order.
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AGREEMENT AS TO INSURANCE CONTRIBUTION PAYMENT

This Agreement as to Insurance Contribution Payment (the “Agreement”) is entered into as between Great American Insurance Company (“Great American”) and the Federal Trade Commission (“FTC”) and the states of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming, and the District of Columbia (hereinafter, the “States”). The FTC and States¹ shall collectively hereinafter be referred to as the “FTC/States.” The FTC/States and Great American shall singularly or collectively hereinafter be referred to as the “Party” or “Parties,” respectively.

RECITALS

WHEREAS, Great American issued the following “Nonprofit Solution” insurance policies to Cancer Support Services (“CSS”), with Policy No. [REDACTED], for the Policy Periods of: (1) September 30, 2008-09; (2) September 30, 2009-10; (3) September 30, 2010-11; (4) September 30, 2011-12; (5) September 30, 2012-13; and (6) a Discovery Period from September 30, 2013-16 (hereinafter, collectively the “Great American Policies”);

WHEREAS, in August 2014, the FTC/States notified CSS of a draft complaint styled, *Federal Trade Commission, et al. v. Cancer Fund of America, Inc., et al.*, to be filed in the United States District Court for the District of Arizona and subsequently, on May 18, 2015, filed said complaint, case no.: 15-CV-00884 (the “FTC Lawsuit”). The FTC Lawsuit alleges that CSS, with Cancer Fund of America, Inc. (“CFA”) and James Reynolds, Sr. (“Reynolds, Sr.”), among other entities and individuals, violated various federal and state statutes, including Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, the Telemarketing and Consumer Fraud and Abuse Prevention Act, 15 U.S.C. §§ 6101-6108, and the Unfair and Deceptive Acts and Practices and Charitable Solicitation laws of the various States;

WHEREAS, the FTC/States negotiated a settlement with CSS, entitled “Stipulation Re Order For Permanent Injunction And Monetary Judgment Against Cancer Fund of America, Inc., Cancer Support Services, Inc., and James Reynolds, Sr.”, which provides that CFA, CSS and Reynolds, Sr., will consent to a Judgment being entered against them, jointly and severally, in the amount of \$75,825,653, as well as other relief (hereinafter, the “CSS Stipulated Judgment”);

¹ The FTC and/or States shall include any of their agents, assigns, successors, representatives, or anyone in a representative capacity whatsoever of the FTC and/or States.

WHEREAS, in order to settle the allegations set forth in the FTC Lawsuit on behalf of CSS, Great American has agreed to pay as “**Loss**”² to the FTC/States the amount of \$200,000 (the “Settlement Contribution”);

WHEREAS, in consideration of Great American’s payment of the Settlement Contribution, the FTC/States: (1) understand that CSS is providing Great American with a complete release of all of the Great American Policies; and (2) agree that the FTC/States will not make any additional monetary demands for “**Loss**” (or the payment or reimbursement of any premium(s)) under the Great American Policies as to CSS including, but not limited to, seeking to enforce or collect all or any part of any monetary judgments entered as a result of the CSS Stipulated Judgment;

NOW, THEREFORE, in consideration of the promises and mutual covenants and undertakings set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby expressly agree as follows:

TERMS OF AGREEMENT

1. **Payment of Settlement Contributions.** In consideration of the agreements and releases provided herein, Great American agrees to pay the Settlement Contributions to the FTC/States within seven (7) days after the entry by the District Court of a stipulated order in connection with the CSS Stipulated Judgment.

2. **FTC/States Will Not Pursue the Great American Policies.** Except for the payment of the Settlement Contribution, the FTC/States will not seek to enforce and/or collect any amount against Great American under the Great American Policies in connection with any monetary judgment entered as a result of the CSS Stipulated Judgment (or in connection with any Order or Judgment by any Court declaring the Great American Policies as being void). The FTC/States acknowledge and agree that under this Agreement: (i) other than the Settlement Contribution, Great American will have no obligations whatsoever for any of the monies and/or relief contained in the CSS Stipulated Judgment; (ii) the FTC/States shall not make any monetary demands whatsoever against Great American under the Great American Policies related to the CSS Stipulated Judgment, whether directly and/or as a judgment creditor,³ assignee, or in any other capacity whatsoever; and (iii) the FTC/States will not pursue any of the rights of CSS under the Great American Policies, no matter how those rights are acquired (including, but not limited to, by operation of law).

3. **Great American Will Not Seek Its Fees and Costs.** Great American filed a coverage lawsuit against CSS, captioned *Great American Insurance Company v. Cancer Support Services*, case no.: 4:14-cv-14309, filed in the United States District Court for the Eastern

² The term “**Loss**”, as used in this Agreement, shall have the same meaning as that set forth in the Great American Policies.

³ If as a judgment creditor, whether the rights arise by operation of law, by assignment, or in any other fashion whatsoever.

District of Michigan (the “Coverage Lawsuit”). In exchange for the releases of Great American contained herein, Great American shall not seek its legal fees and/or costs in the Coverage Lawsuit against CSS or CSS’s (to be appointed) Receiver;

4. Agreement Executed in Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

5. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior negotiations and agreements, whether written or oral. This Agreement may not be altered, amended, modified or otherwise changed except by an instrument in writing executed by all Parties hereto and shall be interpreted by reference to its plain language and shall not be construed against any of the Parties drafting this Agreement.

6. Representations and Warranties. Each of the Parties hereby represents and warrants that: (a) except as referenced herein, no conditions, representations, warranties, promises, covenants, statements or provisions have been made other than as expressly stated in this Agreement; (b) it has carefully read and fully understands the complete terms of this Agreement and the consequences of signing this Agreement; (c) it has entered into this Agreement knowingly and voluntarily and with the opportunity to consult with counsel; and (d) the person executing this Agreement is duly authorized and empowered to do so and that their signature hereon constitutes the binding act of that Party.⁴

[EXECUTION PAGES BELOW]

⁴ With respect to each person executing this Agreement on behalf of each State (and the District of Columbia), she/he hereby represents and warrants that she/he is duly authorized and empowered to do so and that her/his signature hereon constitutes the binding act of that State (and the District of Columbia).

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the dates written below.

GREAT AMERICAN INSURANCE COMPANY

Date: _____

Printed Name: _____

Title: _____

THE FEDERAL TRADE COMMISSION

Date: _____

Printed Name: _____

Title: _____

STATE OF ALABAMA

Date: _____

Printed Name: _____

Title: _____

STATE OF ALASKA

Date: _____

Printed Name: _____

Title: _____

STATE OF ARIZONA

Date: _____

Printed Name: _____

Title: _____

STATE OF ARKANSAS

Date: _____

Printed Name: _____

Title: _____

STATE OF CALIFORNIA

Date: _____

Printed Name: _____

Title: _____

STATE OF COLORADO

Date: _____

Printed Name: _____

Title: _____

STATE OF CONNECTICUT

Date: _____

Printed Name: _____

Title: _____

STATE OF DELAWARE

Date: _____

Printed Name: _____

Title: _____

STATE OF FLORIDA

Date: _____

Printed Name: _____

Title: _____

AGREEMENT AS TO INSURANCE CONTRIBUTION PAYMENT

STATE OF GEORGIA

Date: _____

Printed Name: _____

Title: _____

STATE OF HAWAII

Date: _____

Printed Name: _____

Title: _____

STATE OF IDAHO

Date: _____

Printed Name: _____

Title: _____

STATE OF ILLINOIS

Date: _____

Printed Name: _____

Title: _____

STATE OF INDIANA

Date: _____

Printed Name: _____

Title: _____

STATE OF IOWA

Date: _____

Printed Name: _____

Title: _____

AGREEMENT AS TO INSURANCE CONTRIBUTION PAYMENT

Page 6 of 12

STATE OF KANSAS

Date: _____

Printed Name: _____

Title: _____

STATE OF KENTUCKY

Date: _____

Printed Name: _____

Title: _____

STATE OF LOUISIANA

Date: _____

Printed Name: _____

Title: _____

STATE OF MAINE

Date: _____

Printed Name: _____

Title: _____

STATE OF MARYLAND

Date: _____

Printed Name: _____

Title: _____

STATE OF MASSACHUSETTS

Date: _____

Printed Name: _____

Title: _____

AGREEMENT AS TO INSURANCE CONTRIBUTION PAYMENT

STATE OF MICHIGAN

Date: _____

Printed Name: _____

Title: _____

STATE OF MINNESOTA

Date: _____

Printed Name: _____

Title: _____

STATE OF MISSISSIPPI

Date: _____

Printed Name: _____

Title: _____

STATE OF MISSOURI

Date: _____

Printed Name: _____

Title: _____

STATE OF MONTANA

Date: _____

Printed Name: _____

Title: _____

STATE OF NEBRASKA

Date: _____

Printed Name: _____

Title: _____

AGREEMENT AS TO INSURANCE CONTRIBUTION PAYMENT

STATE OF NEVADA

Date: _____

Printed Name: _____

Title: _____

STATE OF NEW HAMPSHIRE

Date: _____

Printed Name: _____

Title: _____

STATE OF NEW JERSEY

Date: _____

Printed Name: _____

Title: _____

STATE OF NEW MEXICO

Date: _____

Printed Name: _____

Title: _____

STATE OF NEW YORK

Date: _____

Printed Name: _____

Title: _____

STATE OF NORTH CAROLINA

Date: _____

Printed Name: _____

Title: _____

AGREEMENT AS TO INSURANCE CONTRIBUTION PAYMENT

STATE OF NORTH DAKOTA

Date: _____

Printed Name: _____

Title: _____

STATE OF OHIO

Date: _____

Printed Name: _____

Title: _____

STATE OF OKLAHOMA

Date: _____

Printed Name: _____

Title: _____

STATE OF OREGON

Date: _____

Printed Name: _____

Title: _____

STATE OF PENNSYLVANIA

Date: _____

Printed Name: _____

Title: _____

STATE OF RHODE ISLAND

Date: _____

Printed Name: _____

Title: _____

AGREEMENT AS TO INSURANCE CONTRIBUTION PAYMENT

STATE OF SOUTH CAROLINA

Date: _____

Printed Name: _____

Title: _____

STATE OF SOUTH DAKOTA

Date: _____

Printed Name: _____

Title: _____

STATE OF TENNESSEE

Date: _____

Printed Name: _____

Title: _____

STATE OF TEXAS

Date: _____

Printed Name: _____

Title: _____

STATE OF UTAH

Date: _____

Printed Name: _____

Title: _____

STATE OF VERMONT

Date: _____

Printed Name: _____

Title: _____

AGREEMENT AS TO INSURANCE CONTRIBUTION PAYMENT

STATE OF VIRGINIA

Date: _____

Printed Name: _____

Title: _____

STATE OF WASHINGTON

Date: _____

Printed Name: _____

Title: _____

STATE OF WEST VIRGINIA

Date: _____

Printed Name: _____

Title: _____

STATE OF WISCONSIN

Date: _____

Printed Name: _____

Title: _____

STATE OF WYOMING

Date: _____

Printed Name: _____

Title: _____

DISTRICT OF COLUMBIA

Date: _____

Printed Name: _____

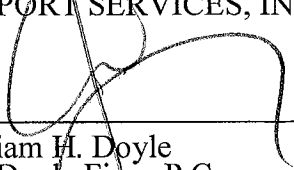
Title: _____

AGREEMENT AS TO INSURANCE CONTRIBUTION PAYMENT

1 SO STIPULATED AND AGREED:

2
3 FOR DEFENDANTS JAMES
4 REYNOLDS, SR.; CANCER FUND OF
5 AMERICA, INC.; and CANCER
6 SUPPORT SERVICES, INC.

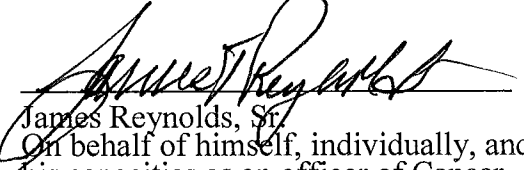
7
8 *Feb. 2,*
9 Date, 2016


10 William H. Doyle
11 The Doyle Firm, P.C.
12 1313 E. Osborn Rd., Suite 220
13 Phoenix, AZ 85014
14 wdoyle@doylelawgroup.com
15 (602) 240-6711

16 Attorney for James Reynolds, Sr.,
17 Cancer Fund of America, Inc., and
18 Cancer Support Services, Inc.

19 JAMES REYNOLDS, SR.

20
21 *Feb. 2,*
22 Date, 2016


23 James Reynolds, Sr.
24 On behalf of himself, individually, and in
25 his capacities as an officer of Cancer
26 Fund of America, Inc., and Cancer
27 Support Services, Inc.

28 STIPULATION RE ORDER FOR PERMANENT INJUNCTION AS TO CFA, CSS, AND REYNOLDS. SR.

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5
6 **IN THE UNITED STATES DISTRICT COURT**
7 **FOR THE DISTRICT OF ARIZONA**

8
9 Federal Trade Commission; all Fifty
10 States; and the District of Columbia;

11 Plaintiffs,

12 vs.

13 Cancer Fund of America, Inc., a Delaware
14 corporation, et al.;

15 Defendants.

CASE NO. CV-15-00884-PHX-NVW

**STIPULATION RE ORDER
APPOINTING LIQUIDATING
RECEIVER OVER CANCER FUND
OF AMERICA, INC., AND CANCER
SUPPORT SERVICES, INC.**

16 Plaintiffs, the Federal Trade Commission (“FTC” or “Commission”) and the states
17 of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware,
18 Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana,
19 Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana,
20 Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North
21 Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South
22 Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West
23 Virginia, Wisconsin, Wyoming, and the District of Columbia, and Defendants Cancer
24 Fund of America, Inc. (“CFA”) and Cancer Support Services, Inc. (“CSS”), having
25 stipulated to the entry of a separate and concurrently filed “Stipulated Order for
26 Permanent Injunction and Monetary Judgment Against Cancer Fund of America, Inc.,
27 Cancer Support Services, Inc., and James Reynolds, Sr.,” further stipulate to the entry of
28

STIPULATION RE ORDER APPOINTING RECEIVER OVER CFA AND CSS

1 this Stipulated Order Appointing a Receiver Over Cancer Fund of America, Inc., and
2 Cancer Support Services, Inc.

3 THEREFORE, IT IS ORDERED as follows:

4 **FINDINGS**

5 1. Plaintiffs and CFA and CSS have consented to entry of a Stipulated Order
6 for Permanent Injunction and Monetary Judgment Against Cancer Fund of America, Inc.,
7 Cancer Support Services, Inc., and James Reynolds, Sr. (“Permanent Injunction”).

8 2. The Permanent Injunction requires that the assets of CFA and CSS be
9 liquidated to partially satisfy the monetary judgment entered against them and that their
10 corporate existences be dissolved.

11 3. Plaintiffs, CFA, and CSS have consented to entry of this Stipulated Order
12 Appointing Liquidating Receiver Over Cancer Fund of America, Inc., and Cancer
13 Support Services, Inc. (“CFA and CSS Receivership Order”).

14 4. Pursuant to the Federal Rules of Civil Procedure, this Court’s general
15 equitable authority, and Sections 13(b) and 19 of the Federal Trade Commission Act, 15
16 U.S.C. § 53(b) and 57b, this Court has the authority to enter the requested relief.

17 **DEFINITIONS**

18 For purposes of this Order, the following definitions shall apply:

19 1. “CFA” means Cancer Fund of America, Inc. (“CFA”), also dba Breast
20 Cancer Financial Assistance Fund, and its successors and assigns.

21 2. “CSS” means Cancer Support Services, Inc. (“CSS”), and its successors
22 and assigns.

23 3. “Receiver” means the receiver appointed by this CFA and CSS
24 Receivership Order.

25 4. “GAIC Policies” means the Great American Insurance Company (“GAIC”)
26 “Nonprofit Solution” Insurance Policies, Policy No. [REDACTED], for the Policy Periods
27 of: (1) September 30, 2008 to September 30, 2009; (2) September 30, 2009 to September
28

1 30, 2010; (3) September 30, 2010 to September 30, 2011; (4) September 30, 2011 to
2 September 30, 2012; (5) September 30, 2012 to September 30, 2013; and (6) the
3 Endorsement to the 2013-16 Policy providing a “Discovery Period” from September 30,
4 2013 to September 30, 2016.

5 5. “MVF Policies” means the Mount Vernon Fire Insurance Company
6 (“MVF”) Nonprofit Directors and Officers Liability Insurance Policies, beginning with
7 Policy No. [REDACTED], for the Policy Period of August 1, 2007 - August 1, 2008;
8 followed sequentially by 12 month policies under policy numbers [REDACTED],
9 [REDACTED], [REDACTED], [REDACTED], and concluding with policy number
10 [REDACTED] which had a policy period that commenced on August 1, 2012 and
11 remained in effect till August 30, 2013. Policy number [REDACTED] was endorsed to
12 include an Extended Reporting Period till August 1, 2016.

13 6. “Permanent Injunction” means the “Stipulated Order for Permanent
14 Injunction and Monetary Judgment Against Cancer Fund of America, Inc., Cancer
15 Support Services, Inc., and James Reynolds, Sr.” agreed to by CFA, CSS, and James
16 Reynolds, Sr. (“Reynolds, Sr.”).

17 7. “STCO Fund” means the Litigation Deposits Trust Fund (Fund Code “T-
18 xx-909N”), an interest bearing trust fund held by the Hawaii Attorney General’s Office in
19 trust for the Plaintiff States into which Section VIII.E.1 of the Permanent Injunction
20 requires the CFA and CSS Receiver to deposit all monies to be paid to the Plaintiff
21 States.

22 8. “Person” means a natural person, an organization or other legal entity,
23 including a corporation, partnership, sole proprietorship, limited liability company,
24 association, cooperative, or any other group or combination acting as an entity.

25 9. “Fundraising” means a plan, program, or campaign that is conducted to
26 induce charitable contributions by mail, telephone, electronic mail, social media, or any
27 other means.

10. “Nonprofit organization” means any person that is, or is represented to be, a nonprofit entity, or that has, or is represented to have, a charitable purpose, specifically including but not limited to any entity that purports to benefit, either in whole or in part, individuals who suffer or have suffered from cancer.

11. “And” and “or” shall be construed both conjunctively and disjunctively to make the applicable sentence or phrase inclusive rather than exclusive.

ORDER

I. APPOINTMENT OF LIQUIDATING RECEIVER

IT IS FURTHER ORDERED that Receivership Management, Inc., 1101 Kermit Drive, Suite 735, Nashville, TN 37217, is appointed by this Court as Liquidating Receiver (“Receiver”) with all the rights and privileges of an equity receiver over CFA and CSS for the purposes of taking charge of the property and assets of CFA and CSS, conducting the necessary steps to wind down the affairs of CFA and CSS, liquidating their assets, dissolving their corporate existences, and paying all net assets to the STCO Fund. For purposes of this appointment, the Receiver may treat CFA and CSS as a single economic entity. The Receiver shall be the agent of this Court, and solely the agent of this Court, in acting as Receiver under this Order. The Receiver shall be accountable directly to this Court.

II. RECEIVER'S DUTIES AND AUTHORITIES

IT IS FURTHER ORDERED that the Receiver shall be authorized and directed to do any and all acts necessary to the proper and lawful conduct of this receivership, subject to the control of this Court, including but not limited to:

A. Take any and all steps that the Receiver concludes are appropriate to wind down the affairs of CFA and CSS, liquidate their assets, and dissolve their corporate existences;

B. Exercise full control of CFA and CSS and collect, marshal, and take custody, control, and possession of all the funds, property, premises, accounts,

1 documents, mail, and other assets of, or in the possession or under the control of, CFA
2 and CSS (except the GAIC Policies and the MVF Policies or any payments or refunds in
3 connection with such policies), wherever situated, the income and profits therefrom, and
4 all sums of money now or hereafter due or owing to CFA and CSS, with full power to
5 collect, receive and take possession of all goods, chattels, rights, credits, monies, rents,
6 effects, lands, leases, books and records, limited partnership records, work papers, and
7 records of accounts, including computer maintained information, contracts, financial
8 records, monies on hand in banks and other financial institutions, and other papers and
9 documents of other individuals, partnership or corporations whose interest are now held
10 by or under the direction, possession, custody, or control of CFA and CSS;

11 C. Perform all acts necessary or advisable to complete an accounting of the
12 assets of CFA and CSS, prevent unauthorized transfer, withdrawal, or misapplication of
13 the assets of CFA and CSS, and preserve and pursue recovery of the assets of CFA and
14 CSS from third parties (except the GAIC Policies and the MVF Policies or any payments
15 or refunds in connection with such policies);

16 D. Make disbursements for operating expenses as may be appropriate to wind
17 down the affairs of CFA and CSS, such as for undertaking repairs, and take any other
18 actions necessary to efficiently manage all real and personal property in order to maintain
19 its value;

20 E. Purchase insurance as advisable or necessary. The Receiver may keep in
21 force the existing insurance coverage(s), each of which shall name the Receiver as an
22 additional insured thereunder. The Receiver acknowledges and agrees that when this
23 Order is entered, the GAIC Policies and MVF Policies are not part of this Order;

24 F. Enter into new or amended contracts, agreements, understandings, or other
25 commitments and terminate or abrogate, in the Receiver's sole sound business discretion,
26 any or all agreements, contracts, understandings, or commitments entered into by CFA
27 and CSS, to the extent permitted by applicable law. The Receiver shall not be bound by
28

1 any unsecured contracts, agreements, understandings, or other commitments in the nature
2 of service contracts that CFA and CSS had, have, or may have with third parties, whether
3 oral or written. The Receiver may agree to become bound by any such contracts,
4 agreements, understandings, or other commitments by affirmative written ratification
5 executed by the Receiver. ***Provided that*** the Receiver shall immediately terminate any
6 and all fundraising contracts and cease all fundraising;

7 G. Make payments and disbursements from the assets of CFA and CSS that
8 are necessary or advisable for carrying out the provisions of, or exercising the authority
9 granted by, this Order. The Receiver shall apply to the Court for prior approval of any
10 payment of any debt or obligation incurred by CFA or CSS prior to the date of entry of
11 this Order, except payments that the Receiver deems necessary or advisable to secure and
12 liquidate assets of CFA and CSS, such as rental payments or payment of liens;

13 H. Request that the Clerk of the Court issue subpoenas, or have subpoenas
14 issued by the Receiver's attorney pursuant to Rule 45(a)(3) of the Federal Rules of Civil
15 Procedure, to obtain documents and records pertaining to the assets of CFA and CSS, and
16 otherwise to conduct discovery on behalf of CFA and CSS as permitted by the Federal
17 Rules of Civil Procedure, directly or through the Receiver's attorney;

18 I. Institute, prosecute, defend, compromise, intervene, adjust, appear in, and
19 become a party either in the Receiver's own name or in the name of CFA or CSS to such
20 suits, actions, or proceedings in state, federal, or foreign courts as may be necessary for
21 the protection, maintenance, recovery, recoupment, or preservation of the assets of CFA
22 and CSS, including proceedings seeking the avoidance of fraudulent transfers,
23 disgorgements of profits, imposition of constructive trusts, and any other legal and
24 equitable relief that the Receiver deems necessary and appropriate to preserve and
25 recover the assets of CFA and CSS, however, CFA, CSS and their respective counsel of
26 record in the two (2) separate pending actions styled *MOUNT VERNON FIRE*
27 *INSURANCE COMPANY v. CANCER FUND OF AMERICA, INC.; JAMES*
28

1 *REYNOLDS, SR.; and KYLE EFFLER*, civil action no. 3:14-cv-00568-PLR-HBG in the
2 United States District Court for the Eastern District of Tennessee, and *GREAT*
3 *AMERICAN INSURANCE COMPANY v. CANCER SUPPORT SERVICES, INC.*, civil
4 action no. 2:14-CV-14309 in the United States District Court for the Eastern District of
5 Michigan, (“Coverage Actions”) shall retain the right and authority to approve for entry
6 any stipulations, joint motions, or agreed orders necessary to allow those courts to enter
7 final orders declaring the rights of MVF and GAIC under their respective policies of
8 insurance, including, but not limited to, the right of CFA and CSS (and their counsel) to:
9 (i) agree to rescission of the respective MVF and GAIC Policies; and (ii) for CFA and
10 CSS to waive and forgo any rights for the return of any premiums for said Policies, in
11 exchange for MVF and GAIC not pursuing their rights for monetary damages against
12 CFA and CSS, respectively;

13 J. Bring such proceedings and actions as are necessary to enforce or modify
14 the provisions of this Order;

15 K. Perform all incidental acts that the Receiver deems to be advisable or
16 necessary to manage the affairs of CFA and CSS during the winding down phase,
17 liquidate their assets, and dissolve their corporate existences, including, without
18 limitation, the following powers and responsibilities to:

19 1. Retain, hire, or dismiss any employees, independent contractors, and
20 agents as the Receiver deems advisable or necessary;

21 2. Supervise and oversee the management of CFA and CSS, including
22 making payments and paying taxes as and when the Receiver has funds available
23 from CFA and CSS, or from the liquidation thereof;

24 3. Employ such counsel, real estate agents, auctioneers, appraisers,
25 accountants, contractors, other professionals, and other such persons as may be
26 necessary in order to carry out the duties as Receiver and to preserve, maintain,
27 recover, recoup, and protect the assets of CFA and CSS;

28
STIPULATION RE ORDER APPOINTING RECEIVER OVER CFA AND CSS

1 4. Open new accounts with, or negotiate, compromise or otherwise
2 modify the existing obligations of CFA and CSS with third parties, including
3 utility companies and other service providers or suppliers of goods and services,
4 and to otherwise enter into such agreements, contracts, or understandings with
5 such third parties as are necessary to maintain, preserve, and protect the assets of
6 CFA and CSS;

7 5. Open new bank, brokerage or investment accounts with respect to
8 the Receiver's management and operation of CFA and CSS, and deposit any cash
9 or other assets into said accounts; and

10 6. Surrender for cash value the universal life insurance policy
11 ██████████, held by The Lincoln National Life Insurance Company and use the
12 proceeds as necessary to operate the Receivership.

13 L. Dispose of, or arrange for the disposal of, the records of CFA and CSS no
14 later than six months after the Court's approval of the Receiver's final report; except that,
15 to the extent that any federal, state, or local law regulating the activities of CFA and CSS
16 requires the retention of particular records for a specified period, the Receiver shall
17 arrange for such records to be disposed of after the specified period has expired. For any
18 such records, the Receiver may elect to retain records in their original form, or to retain
19 photographic or electronic copies. Records containing personal financial information,
20 personal identifying information, or sensitive health information must be shredded,
21 incinerated, or otherwise disposed of in a secure manner. Records containing the name,
22 address, email address and/or telephone number of any person who made a donation to
23 CFA or CSS (i.e., any donor list) may not be sold, rented, leased, transferred, or
24 otherwise disclosed to any third party and must be destroyed; and

25 M. Pay to the STCO Fund any and all sums collected over and above those
26 necessary to wind down the affairs of CFA and CSS, liquidate their assets, and dissolve
27
28

1 them, or those necessary to make payments authorized by this CFA and CSS
2 Receivership Order.

3 **III. TRANSFER OF RECEIVERSHIP PROPERTY TO RECEIVER**

4 IT IS FURTHER ORDERED that CFA, CSS, and their representatives, agents,
5 officers, directors, employees, managers, members, and any other persons with
6 possession, custody, interest in, or control of property or records relating to CFA and
7 CSS shall:

8 A. Upon notice of this Order by personal service or otherwise, immediately
9 notify the Receiver of all such property and records and, upon receiving a request from
10 the Receiver, immediately transfer or deliver to the Receiver possession, custody, and
11 control of the following:

12 1. All assets of CFA and CSS, including but not limited to any legal or
13 equitable interest in, right to, or claim to, any real, personal, or intellectual
14 property, including chattel, goods, instruments, equipment, fixtures, general
15 intangibles, effects, leaseholds, contracts, mail or other deliveries, shares or stock,
16 securities, inventory, checks, notes, accounts, credits, receivables (as those terms
17 are defined in the Uniform Commercial Code), insurance policies (except for the
18 GAIC Policies and the MVF Policies or any payments or refunds in connection
19 with such policies), lines of credit, cash, trusts (including asset protection trusts),
20 lists of donor names, and reserve funds or any other accounts associated with any
21 donations or other payments processed by, or on behalf of, CFA or CSS, including
22 such reserve funds held by payment processors, credit card processors, caging
23 companies, banks, or other financial institutions;

24 2. All documents of CFA and CSS, including books and records of
25 accounts, all financial and accounting records, balance sheets, income statements,
26 bank records (including monthly statements, canceled checks, records of wire
27 transfers, and check registers), client lists, donor lists, title documents, and all
28

1 other materials listed in Federal Rule of Civil Procedure 34(a), including writings,
2 drawings, graphs, charts, photographs, audio and video recordings, computer
3 records, digital records, and other data compilations from which information can
4 be obtained and translated, if necessary, into reasonably usable form through
5 detection devices;

6 3. All computers, electronic devices, machines, and data in whatever
7 form used to conduct the business of CFA and CSS, and all passwords and other
8 credentials related thereto;

9 4. All assets and documents belonging to other persons or entities
10 whose interests are under the direction, possession, custody, or control of CFA and
11 CSS; and

12 5. All keys, codes, user names, and passwords necessary to gain or to
13 secure access to any assets or documents of CFA and CSS, including access to
14 their business premises, means of communication, accounts, computer systems, or
15 other property.

16 B. Waive all claims to, and unconditionally release and consent to transfer
17 possession and legal and equitable title of all property of CFA and CSS to the Receiver or
18 a trust designated by the Receiver;

19 C. Until CFA and CSS surrender possession and legal and equitable title of all
20 property of CFA and CSS to the Receiver:

21 1. Maintain and take no action to diminish the value of any property of
22 CFA and CSS, including any structures, fixtures, and appurtenances thereto;

23 2. Remain current on all amounts due and payable on the property of
24 CFA and CSS, including but not limited to taxes, insurance, maintenance, and
25 similar fees; and

26 3. Cause existing insurance coverage for the property of CFA and CSS
27 to remain in force until the surrender of possession and legal and equitable title,
28

1 and both notify the insurance carrier(s) immediately of the appointment of the
2 Receiver and request that the Receiver be added to the insurance policy or policies
3 as an additional insured thereunder.

4 D. Notwithstanding any other term, condition, or provision of this Order, the
5 Receiver shall not have any legal or equitable rights to the GAIC Policies and MVF
6 Policies, or any payments or refunds in connection with such policies (including, but not
7 limited to, the payment of \$200,000 each being made by GAIC and MVF into the STCO
8 Fund (the “GAIC and MVF Payment”). The Receiver expressly agrees that: (i) the GAIC
9 Policies and MVF Policies, and any payments or refunds in connection with such
10 policies, and the GAIC and MVF Payment are not assets that are subject to this Order;
11 and (ii) prior to this Order becoming effective, CFA and CSS have stipulated in the
12 Coverage Actions as noted in Section II.I, above, that the GAIC and MVF Policies are
13 completely rescinded, null and void, and of no effect whatsoever.

14 **IV. SALE OF PERSONAL PROPERTY OF REYNOLDS, SR.**

15 IT IS FURTHER ORDERED that any personal property transferred to the
16 Receiver by Reynolds, Sr., pursuant to Section VII.C. of the Permanent Injunction or
17 otherwise, shall be treated by the Receiver as assets of the receivership estate and
18 liquidated accordingly. The Receiver shall credit the net proceeds of the sale to the
19 outstanding debt owed by Reynolds, Sr. to CFA.

20 **V. COOPERATION**

21 IT IS FURTHER ORDERED that:

22 A. CFA, CSS, their representatives, agents, officers, directors, employees,
23 managers, members or any other persons with possession, custody, or control of property
24 or records relating to CFA and CSS, specifically including Reynolds, Sr., must cooperate
25 fully with the Receiver and take such other steps as the Receiver may require to transfer
26 to the Receiver, or to the Receiver’s designated trust, possession and legal and equitable
27 title to all assets of CFA and CSS within five days of request by the Receiver, including
28

1 executing any documents, procuring the signature of any person or entity under their
2 control, providing access to the property of CFA and CSS and any necessary information,
3 and turning over any property of CFA and CSS; and

4 B. In the event that any person fails to deliver or transfer any asset or
5 document, or otherwise fails to comply with any provision of this Order, the Receiver
6 may file, ex parte, an affidavit of non-compliance regarding the failure. Upon filing of
7 the affidavit, the Court may authorize, without additional process or demand, writs of
8 possession or sequestration or other equitable writs requested by the Receiver. The writs
9 shall authorize and direct the United States Marshal, any sheriff or deputy sheriff of any
10 county, or any other federal, state, or local law enforcement officer, to seize the asset,
11 document, or other item covered by this Section and to deliver it to the Receiver.

12 VI. PROVISION OF INFORMATION TO RECEIVER

13 IT IS FURTHER ORDERED that CFA, CSS, and Reynolds, Sr., shall provide to
14 the Receiver, immediately upon request, the following:

15 A. Lists of all assets and property, including accounts, of CFA and CSS that
16 are held in the name of CFA or CSS, any name other than the name of CFA and CSS, or
17 by any person or entity other than CFA and CSS; and

18 B. A list of all agents, employees, officers, directors, managers, members,
19 employees, agents, or those persons in active concert and participation with CFA or CSS,
20 who have been associated with or done business with CFA or CSS.

21 VII. PROHIBITION ON INTERFERENCE WITH THE RECEIVER

22 IT IS FURTHER ORDERED that CFA, CSS, and their representatives, whether
23 acting directly or through any entity, corporation, subsidiary, division, director, manager,
24 member, employee, agent, affiliate, independent contractor, attorney, accountant,
25 financial advisor, or other device, except as provided herein, as stipulated by the parties,
26 or as directed by further order of the Court, specifically including Reynolds, Sr., are
27 hereby restrained and enjoined from:
28

1 A. Interfering with the Receiver's efforts to manage, or take custody, control,
2 or possession of, the assets or documents subject to this receivership;

3 B. Transacting any of the business of CFA and CSS;

4 C. Transferring, receiving, altering, selling, encumbering, pledging, assigning,
5 liquidating, or otherwise disposing of any assets owned, controlled, or in the possession
6 or custody of, or in which an interest is held or claimed by, CFA, CSS, or the Receiver;
7 and

8 D. Refusing to cooperate with the Receiver or the Receiver's duly authorized
9 agents in the exercise of their duties or authority under any order of this Court.

10 **VIII. STAY OF ACTIONS AGAINST CFA AND CSS**

11 IT IS FURTHER ORDERED that, except by leave of this Court, during pendency
12 of the receivership ordered herein CFA, CSS, their representatives, and other persons
13 seeking to establish or enforce any claim, right, or interest against or on behalf of CFA
14 and CSS, and all others acting for or on behalf of such persons, are hereby enjoined from
15 taking action that would interfere with the exclusive jurisdiction of this Court over the
16 assets or documents of CFA and CSS, including:

17 A. Petitioning, or assisting in the filing of a petition, that would cause CFA
18 and CSS to be placed in bankruptcy;

19 B. Commencing, prosecuting, or continuing a judicial, administrative, or other
20 action or proceeding against CFA or CSS, including the issuance or employment of
21 process against CFA or CSS, except that such actions may be commenced if necessary to
22 toll any applicable statute of limitations;

23 C. Filing or enforcing any lien on any asset of CFA or CSS, taking or
24 attempting to take possession, custody, or control of any asset of CFA or CSS, or
25 attempting to foreclose, forfeit, alter, or terminate any interest in any asset of CFA or
26 CSS, whether such acts are part of a judicial proceeding, are acts of self-help, or
27 otherwise; and

1 D. Initiating any other process or proceeding that would interfere with the
2 Receiver's efforts to manage or take custody, control, or possession of the assets or
3 documents subject to this receivership; *provided that*, this Order does not stay: (i) the
4 commencement or continuation of a criminal action or proceeding; (ii) the
5 commencement or continuation of an action or proceeding by a governmental unit to
6 enforce such governmental unit's police or regulatory power; (iii) the enforcement of a
7 judgment, other than a monetary judgment, obtained in an action or proceeding by a
8 governmental unit to enforce such governmental unit's police or regulatory power;
9 (iv) the coverage actions referenced in Section II.I, above.

10 **IX. RECEIVER'S BOND**

11 IT IS FURTHER ORDERED that the Receiver shall file with the Clerk of this Court a
12 bond in the sum of \$25,000 with sureties to be approved by the Court, conditioned that
13 the Receiver will well and truly perform the duties of the office and abide by and perform
14 all acts the Court directs. 28 U.S.C. § 754.

15 **X. COMPENSATION OF RECEIVER**

16 IT IS FURTHER ORDERED that the Receiver and all personnel hired by the
17 Receiver as herein authorized, including counsel to the Receiver and accountants, are
18 entitled to reasonable compensation for the performance of duties undertaken pursuant to
19 this Order and for the cost of actual out-of-pocket expenses incurred. The Receiver's
20 compensation and the compensation of any persons hired by the Receiver is to be paid
21 solely from the assets of CFA and CSS and any proceeds from the liquidation of CFA
22 and CSS, and such payments shall have priority over all other distributions except for any
23 transfer fees, recording fees, or other payments owed through the transfer of the assets of
24 CFA and CSS. The Receiver shall file with the Court and serve on the parties a request
25 for the payment of reasonable compensation at the time of the filing of periodic reports
26 and no less than every 60 days. The Receiver shall not increase the fees or rates used as
27 the basis for such fee applications without prior approval of Plaintiffs and the Court.
28

1 CFA and CSS shall have no right to object to the Receiver's fees or compensation.
2 Absent a violation of this Order that causes the Receiver to incur fees or expenses, CFA
3 and CSS shall not be liable for the Receiver's fees or expenses.

4 **XI. RECEIVER REPORTS**

5 IT IS FURTHER ORDERED that the Receiver shall periodically file with the
6 Court, no less than every 60 days, a Receivership Report, under oath, accurately
7 identifying any and all revenues received and expenditures made, including adequately
8 detailed information concerning income, expenses, payables, and receivables. These
9 periodic filings shall be served by the Receiver on Plaintiffs, CFA, CSS, and their
10 respective counsel.

11 **XII. TERMINATION OF RECEIVERSHIP**

12 IT IS FURTHER ORDERED that the Receivership shall continue until terminated
13 by Order of the Court. At the termination of the Receivership, the Receiver shall transfer
14 all assets of CFA and CSS to the STCO Fund described in Paragraph VIII.E of the
15 Permanent Injunction.

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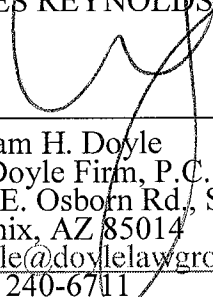
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SO STIPULATED AND AGREED:

FOR DEFENDANTS CANCER FUND
OF AMERICA, INC., CANCER
SUPPORT SERVICES, INC., AND
JAMES REYNOLDS, SR.:

Date: Feb. 2, 2016

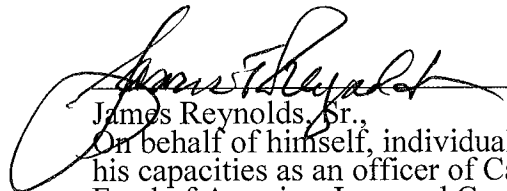


William H. Doyle
The Doyle Firm, P.C.
1313 E. Osborn Rd., Suite 220
Phoenix, AZ 85014
wdoyle@doylelawgroup.com
(602) 240-6711

Attorneys for James Reynolds, Sr.,
Cancer Support Services, Inc., and
Cancer Fund of America, Inc.

JAMES REYNOLDS, SR.

Date: Feb. 2, 2016



James Reynolds, Sr.,
On behalf of himself, individually, and in
his capacities as an officer of Cancer
Fund of America, Inc., and Cancer
Support Services, Inc.



State of North Carolina
Department of the Secretary of State

ELAINE F. MARSHALL
SECRETARY OF STATE

CHARITABLE SOLICITATION LICENSING DIVISION

VIA CERTIFIED MAIL

May 17, 2016

Kathy Swindell, Treasurer
Colonial Capital Humane Society
P.O. Box 326
New Bern, NC 28563

RE: 2015 CSL 09993 – Colonial Capital Humane Society

Dear Ms. Swindell:

The North Carolina Department of the Secretary of State, Charitable Solicitation Licensing Division received the signed settlement agreement on behalf of Colonial Capital Humane Society and agreed upon penalty payment in the amount of five hundred dollars (\$500.00). Please find enclosed a fully executed copy of the Settlement Agreement for your records.

If you have any questions or concerns, please feel free to contact me at the number below.

Sincerely,

A handwritten signature in black ink, appearing to read "Verlyn C. Porte".

Verlyn C. Porte,
Attorney & Enforcement Supervisor



State of North Carolina
Department of the Secretary of State

ELAINE F. MARSHALL
SECRETARY OF STATE

CHARITABLE SOLICITATION LICENSING DIVISION

SETTLEMENT AGREEMENT

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Kathy Swindell, Treasurer
Colonial Capital Humane Society
P.O. Box 326
New Bern, NC 28563

In the Matter of: Colonial Capital Humane Society
CSL FILE NO.: 2015 CSL 09993

This Settlement Agreement is entered into by the North Carolina Department of the Secretary of State [hereinafter "Department"], Charitable Solicitation Licensing Division [hereinafter "CSL"] and Colonial Capital Humane Society to set forth the terms of agreement for payment of financial penalties assessed in an Administrative Order for Penalties and to Cease and Desist Solicitation Activities issued on January 29, 2016 by CSL; and served on February 9, 2016, via certified mail. This Order imposed penalties pursuant to the North Carolina Charitable Solicitation Act, §131F-1 *et seq.* and/or Rules implementing the Act.

WHEREAS, CSL is charged with charitable solicitation licensing and enforcement in North Carolina under the Charitable Solicitation Act and Chapter 11 of Title 18 of the North Carolina Administrative Code; and

WHEREAS, on January 29, 2016, CSL issued an Administrative Order for Penalties and to Cease and Desist Solicitation Activities (hereinafter referred to as "Order") signed by CSL Director, Gail L. Eluwa, to Colonial Capital Humane Society, assessing ONE THOUSAND DOLLARS (\$1,000.00) in financial penalties pursuant to the Charitable Solicitation Act and/or relevant Rules; and

WHEREAS, the Order was properly served and included a Notice of Appeal Rights to the Office of Administrative Hearings (OAH) in compliance with Article 3 of the North Carolina Administrative Procedure Act, N.C. Gen. Stat. §150B; and

WHEREAS, Colonial Capital Humane Society did not appeal the Order and instead desires to enter into a settlement agreement to satisfy the financial penalty assessed in the aforementioned Order; and

WHEREAS, on March 30, 2016, CSL received Colonial Capital Humane Society's initial application for a charitable solicitation license which satisfied the requirements for issuance of a charitable solicitation license pursuant to N.C.G.S. §131F-23(e)(4); and

WHEREAS, on March 1, 2016, Kathy Swindell, Treasurer of Colonial Capital Humane Society, emailed Verlyn C. Porte, CSL Attorney, regarding compliance with the Charitable Solicitation Act and payment of the assessed penalty; and

WHEREAS, on March 15, 2016, Colonial Capital Humane Society and the Department reached an agreement to accept the amount of FIVE HUNDRED DOLLARS (\$500.00), in settlement of the ONE THOUSAND DOLLARS (\$1000.00) penalty assessed in the January 29, 2016 Order.

WHEREAS, on April 11, 2016, CSL received Colonial Capital Humane Society penalty payment in the amount of FIVE HUNDRED DOLLARS (\$500.00) in full settlement of the ONE THOUSAND DOLLARS (\$1000.00) penalty assessed in the January 29, 2016 Order; and

WHEREAS, negotiations have been successful between the parties concerning the settlement agreement terms; and

THEREFORE, the parties have agreed to settle all outstanding issues through this Settlement Agreement, the specific terms of which are listed in the subsequent numbered paragraphs. The parties hereby agree as follows:

1. Colonial Capital Humane Society, through its Treasurer, Kathy Swindell, and the Department through CSL Director, Gail Eluwa, agrees to the terms as outlined further in this Settlement Agreement to resolve all issues, including the financial penalties assessed in the Order issued by CSL to Colonial Capital Humane Society on January 29, 2016.

2. Colonial Capital Humane Society shall send two notarized copies of the original Settlement Agreement to be received by CSL on or before May 9, 2016 by the close of business (5:00 p.m.). This document shall be sent to the attention of Gail Eluwa, CSL Director, to one of the following addresses:

For regular mail, use the following address:

Gail Eluwa, CSL Director
North Carolina Department of the Secretary of State
Charitable Solicitation Licensing Division
Post Office Box 29622
Raleigh, NC 27626-0622

For overnight mail, use the following address:

Gail Eluwa, CSL Director
North Carolina Department of the Secretary of State
Charitable Solicitation Licensing Division

2 South Salisbury Street
Raleigh, NC 27601

3. If the two copies of the fully executed settlement agreement are not received on or before the May 9, 2016 deadline, without further notice, CSL will issue an Order to assess further penalties up to ONE THOUSAND DOLLARS (\$1,000.00) per day for each day the settlement agreement is not received.

4. CSL agreed and has issued Colonial Capital Humane Society a charitable solicitation license effective April 20, 2016 with an expiration date of May 15, 2016.

5. Colonial Capital Humane Society agrees that by entering into this Settlement Agreement, it will renew its charitable solicitation license within the timeline established by CSL's policy; and acknowledges that failure to submit a timely charitable solicitation license renewal application may result in the issuance of additional financial penalties.

7. Colonial Capital Humane Society acknowledges that by entering into this Settlement Agreement, it agrees not to contest the January 29, 2016 Order, and any of the provisions of the aforesaid Order, whether or not the challenge is barred by the applicable statute of limitations.

8. The parties agree that CSL does not waive any authority on behalf of the Secretary of State to take action in the future for any and all violations of the Charitable Solicitation Act, N. C. Gen. Stat. § 131F-1 *et seq.* and the relevant Rules provisions found in Chapter 11 of Title 18 of the North Carolina Administrative Code.

9. Entry into this Settlement Agreement by Colonial Capital Humane Society is not an admission of liability for the violations set forth in the Order of January 29, 2016.

Colonial Capital Humane Society, however, does not dispute that the facts set forth in the

Order are accurate. CSL does not concede by entering into this Settlement Agreement that it would not have prevailed at a hearing on this matter. The parties, however, agree that this Settlement Agreement is a compromise that avoids the time and expense of a hearing.

10. The parties agree that all parts of the Order issued by CSL on January 29, 2016, which are not addressed specifically in this Settlement Agreement are considered resolved without further proceedings related to this contested case.

11. This Settlement Agreement shall be given effect and shall be construed under the laws of the State of North Carolina, which retains jurisdiction of this matter.

12. The undersigned individuals represent that they have the legal capacity and authority to bind the entities on whose behalf they are signing with regard to all issues addressed by and resolved in this Settlement Agreement.

13. All parties acknowledge that they have entered into this Settlement Agreement freely and voluntarily and without any coercion.

14. All parties further acknowledge that they have read and understand the terms of this Agreement and that they have had the opportunity to consult with counsel in deciding whether to enter into this Agreement.

15. This Settlement Agreement constitutes the entire agreement reached by the parties hereto. Any discussions outside the terms of this Agreement are not a part hereof.

16. Any modifications to this Settlement Agreement must be in writing and signed by all parties.

17. This Settlement Agreement shall first be signed by Kathy Swindell, Treasurer, Colonial Capital Humane Society, under oath before a Notary Public and then forwarded to Gail Eluwa, CSL Director, for signature. The Agreement is effective on the date on which Kathy

Swindell signs under oath, before a Notary Public, on behalf of Colonial Capital Humane Society.

Kathy Swindell

Kathy Swindell, Treasurer
Colonial Capital Humane Society

Sworn to and subscribed before me,

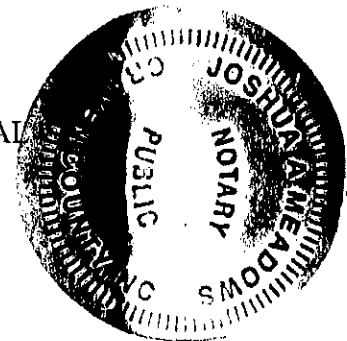
This the 9th day of May, 2016.

Joshua A. Meadows
Notary Public

CRAVEN NC
County and State

My commission expires: 05-28-20

SEAL



Gail L. Eluwa

Gail Eluwa, Director
Charitable Solicitation Licensing Division
North Carolina Secretary of State

Sworn to and subscribed before me,

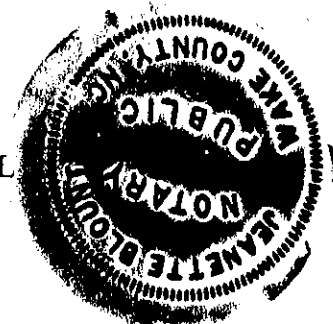
This the 13 day of May, 2016.

Jeannette Blount
Notary Public

Wake North Carolina
County and State

My commission expires: 6-27-2021

SEAL





State of North Carolina
Department of the Secretary of State

ELAINE F. MARSHALL
SECRETARY OF STATE

CHARITABLE SOLICITATION LICENSING DIVISION

VIA CERTIFIED MAIL

July 14, 2016

Mark Walters, Owner
New Beginnings Center
1001 E. WT Harris Blvd., Suite P319
Charlotte, NC 28213

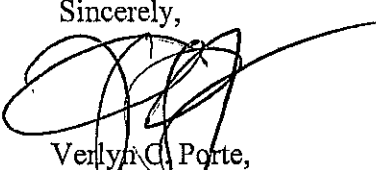
RE: 2015 CSL 121006 – New Beginnings Center

Dear Mr. Walters:

The North Carolina Department of the Secretary of State, Charitable Solicitation Licensing Division received the signed settlement agreement on behalf of New Beginnings Center and agreed upon penalty payment in the amount of five hundred dollars (\$500.00). Please find enclosed a fully executed copy of the Settlement Agreement for your records. CSL also received your organization's request to withdraw from licensure and processed it accordingly.

We are glad this matter has been resolved. If you have any questions or concerns, please feel free to contact me at the number below.

Sincerely,



Verlyn C. Porte,
Attorney & Enforcement Supervisor

POST OFFICE BOX 29622, RALEIGH, NC 27626-0622
PHONE: 919.807.2214 – FAX: 919.807.2220
CSL@SOSNC.COM
WWW.SOSNC.COM



State of North Carolina
Department of the Secretary of State

ELAINE F. MARSHALL
SECRETARY OF STATE

CHARITABLE SOLICITATION LICENSING DIVISION

SETTLEMENT AGREEMENT

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Mark Walters, Owner
New Beginnings Center
1001 E WT Harris Blvd., Suite P319
Charlotte, NC 28213

In the Matter of: New Beginnings Center
CSL FILE NO.: 2015 CSL 121006

This Settlement Agreement is entered into by the North Carolina Department of the Secretary of State [hereinafter "Department"], Charitable Solicitation Licensing Division [hereinafter "CSL"] and New Beginnings Center to set forth the terms of agreement for payment of financial penalties assessed in an Administrative Order for Penalties and to Cease and Desist Solicitation Activities issued on February 16, 2016 by CSL; and served in May 2016 by certified mail. This Order imposed penalties pursuant to the North Carolina Charitable Solicitation Act, §131F-1 *et seq.* and/or Rules implementing the Act.

WHEREAS, CSL is charged with charitable solicitation licensing and enforcement in North Carolina under the Charitable Solicitation Act and Chapter 11 of Title 18 of the North Carolina Administrative Code; and

WHEREAS, on February 16, 2016, CSL issued an Administrative Order for Penalties and to Cease and Desist Solicitation Activities (hereinafter referred to as "Order") signed by CSL Director, Gail L. Eluwa, to New Beginnings Center, assessing ONE THOUSAND DOLLARS (\$1,000.00) in financial penalties pursuant to the Charitable Solicitation Act and/or relevant Rules; and

WHEREAS, the Order was properly served and included a Notice of Appeal Rights to the Office of Administrative Hearings (OAH) in compliance with Article 3 of the North Carolina Administrative Procedure Act, N.C. Gen. Stat. §150B; and

WHEREAS, New Beginnings Center did not appealed the Order and instead desires to enter into a settlement agreement to satisfy the financial penalty assessed in the aforementioned Order; and

WHEREAS, on May 18, 2016, Mark Walters, Director of New Beginnings Center telephoned Verlyn C. Porte, CSL Attorney, regarding the administrative order and payment of the assessed penalty; and

WHEREAS, on June 1, 2016, CSL received documentation from New Beginnings Center indicating that the organization is no longer operational and has ceased soliciting charitable contributions from the public; and

WHEREAS, on June 9, 2016, New Beginnings Center and the Department reached an agreement to accept FIVE HUNDRED DOLLARS (\$500.00) in settlement of the ONE THOUSAND DOLLARS (\$1000.00) penalty assessed in the February 16, 2016 Order; and

WHEREAS, New Beginnings Center's financial penalty payment of FIVE HUNDRED DOLLARS (\$500.00) is to be submitted to CSL on June 25, 2016, in full settlement of the ONE THOUSAND DOLLARS (\$1000.00) penalty assessed in the Order; and

WHEREAS, negotiations have been successful between the parties concerning the settlement agreement terms; and

THEREFORE, the parties have agreed to settle all outstanding issues through this Settlement Agreement, the specific terms of which are listed in the subsequent numbered paragraphs. The parties hereby agree as follows:

1. New Beginnings Center through its Director, Mark Walters, and the Department through CSL Director, Gail L. Eluwa, agrees to the terms as outlined further in this Settlement Agreement to resolve all issues, including the financial penalties assessed in the Order issued by CSL to New Beginnings Center on February 16, 2016.

2. New Beginnings Center shall make one financial payment of Five Hundred Dollars (\$500.00) on June 25, 2016 to CSL in settlement of the financial penalty assessed in the February 16, 2016 Administrative Order.

3. New Beginnings Center shall send two notarized copies of the original Settlement Agreement to be received by CSL on or before June 23, 2016 by the close of business (5:00 p.m.). This document shall be sent to the attention of Gail L. Eluwa, CSL Director, to one of the following addresses:

For regular mail, use the following address:

Gail L. Eluwa, CSL Director
North Carolina Department of the Secretary of State
Charitable Solicitation Licensing Division
Post Office Box 29622
Raleigh, NC 27626-0622

For overnight mail, use the following address:

Gail L. Eluwa, CSL Director
North Carolina Department of the Secretary of State
Charitable Solicitation Licensing Division
2 South Salisbury Street
Raleigh, NC 27601

3. If two copies of the fully executed settlement agreement are not received on or before the June 23, 2016 deadline, without further notice, CSL will issue an Order to assess further penalties up to ONE THOUSAND DOLLARS (\$1,000.00) per day for each day the settlement agreement is not received.

4. Pursuant to this Settlement Agreement, CSL has updated its records for New Beginnings Center and included its voluntary statements of dissolution of business and cession of solicitation of charitable contributions in the State of North Carolina.

5. New Beginnings Center agrees that by entering into this Settlement Agreement, it will not solicit charitable contributions in the State of North Carolina until it holds a valid charitable solicitation license; and acknowledges that failure to obtain a charitable solicitation license prior to solicitation may result in the issuance of additional financial penalties.

7. New Beginnings Center acknowledges that by entering into this Settlement Agreement, it agrees not to contest the February 16, 2016 Order, and any of the provisions of the aforesaid Order, whether or not the challenge is barred by the applicable statute of limitations.

8. The parties agree that CSL does not waive any authority on behalf of the Secretary of State to take action in the future for any and all violations of the Charitable Solicitation Act, N. C. Gen. Stat. § 131F-1 *et seq.* and the relevant Rules provisions found in Chapter 11 of Title 18 of the North Carolina Administrative Code.

9. Entry into this Settlement Agreement by New Beginnings Center is not an admission of liability for the violations set forth in the Order. New Beginnings Center, however, does not dispute that the facts set forth in the Order are accurate. CSL does not concede by entering into this Settlement Agreement that it would not have prevailed at a hearing on this matter. The parties, however, agree that this Settlement Agreement is a compromise that avoids the time and expense of a hearing.

10. The parties agree that all parts of the Order issued by CSL on February 16, 2016, which are not addressed specifically in this Settlement Agreement are considered resolved without further proceedings related to this contested case.

11. This Settlement Agreement shall be given effect and shall be construed under the laws of the State of North Carolina, which retains jurisdiction of this matter.

12. The undersigned individuals represent that they have the legal capacity and authority to bind the entities on whose behalf they are signing with regard to all issues addressed by and resolved in this Settlement Agreement.

13. All parties acknowledge that they have entered into this Settlement Agreement freely and voluntarily and without any coercion.

14. All parties further acknowledge that they have read and understand the terms of this Agreement and that they have had the opportunity to consult with counsel in deciding whether to enter into this Agreement.

15. This Settlement Agreement constitutes the entire agreement reached by the parties hereto. Any discussions outside the terms of this Agreement are not a part hereof.

16. Any modifications to this Settlement Agreement must be in writing and signed by all parties.

17. This Settlement Agreement shall first be signed by Mark Walters, Director, New Beginnings Center, under oath before a Notary Public and then forwarded to Gail L. Eluwa, CSL Director, for signature. The Agreement is effective on the date on which Mark Walters signs under oath, before a Notary Public, on behalf of New Beginnings Center.

Mark Walters

Mark Walters, Director
New Beginnings Center

Sworn to and subscribed before me,

This the 23 day of June, 2016.

Gail L. Eluwa
Notary Public

Mecklenburg, NC
County and State

SEAL

My commission expires: May 19, 2018

Gail L. Eluwa

Gail L. Eluwa, Director
Charitable Solicitation Licensing Division
North Carolina Secretary of State

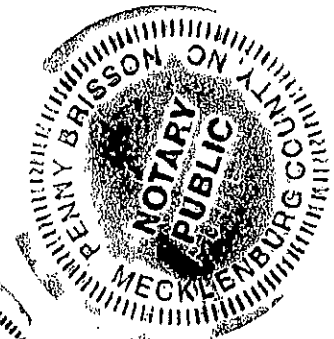
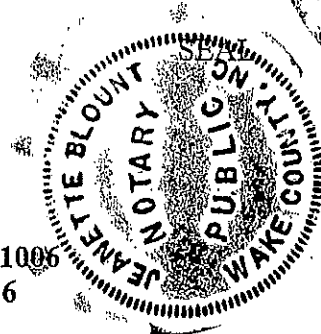
Sworn to and subscribed before me,

This the 13th day of July, 2016.

Jeanette Blount
Notary Public

Wake North Carolina
County and State

My commission expires: 6-27-2021





State of North Carolina
Department of the Secretary of State

ELAINE F. MARSHALL
SECRETARY OF STATE

CHARITABLE SOLICITATION LICENSING DIVISION

CERTIFIED MAIL RETURN RECEIPT REQUESTED

September 2, 2016

Kelly Davis, Executive Director
Thomas Davis Defending Dreams Foundation, Inc.
13000 South Tryon Street
Suite F, Box 259
Charlotte, NC 28273

Re: Settlement Agreement

Dear Ms. Davis:

Please find enclosed the signed Settlement Agreement between the North Carolina Department of the Secretary of State, Charitable Solicitation Licensing Division (hereinafter, "CSL") and Thomas Davis Defending Dreams Foundation, Inc. to retain for your records. This agreement reflects the resolution of the issues of the June 20, 2016 Administrative Order and requires your organization to timely comply with the Charitable Solicitation Act and apply for a charitable solicitation license annually.

Please feel free to contact me if you have any questions or concerns regarding this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Verlyn C. Porte", written over a horizontal line.

Verlyn C. Porte,
CSL Attorney & Enforcement Supervisor



State of North Carolina
Department of the Secretary of State

ELAINE F. MARSHALL
SECRETARY OF STATE

CHARITABLE SOLICITATION LICENSING DIVISION

SETTLEMENT AGREEMENT

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Kelly Davis, Executive Director
Thomas Davis Defending Dreams Foundation, Inc.
13000 South Tryon Street
Suite F, Box 259
Charlotte, NC 28273

**In the Matter of: Thomas Davis Defending Dreams Foundation, Inc.
CSL FILE NO.: 2016 CSL 031018**

This Settlement Agreement is entered into by the North Carolina Department of the Secretary of State [hereinafter "Department"], Charitable Solicitation Licensing Division [hereinafter "CSL"] and Thomas Davis Defending Dreams Foundation, Inc. to set forth the terms of agreement for payment of financial penalties assessed in an Administrative Order for Penalties and to Cease and Desist Solicitation Activities issued on June 20, 2016 by CSL; and served on June 23, 2016 by certified mail. This Order imposed penalties pursuant to the North Carolina Charitable Solicitation Act, §131F-1 *et seq.* and/or Rules implementing the Act.

WHEREAS, CSL is charged with charitable solicitation licensing and enforcement in North Carolina under the Charitable Solicitation Act and Chapter 11 of Title 18 of the North Carolina Administrative Code; and

WHEREAS, on June 20, 2016, CSL issued an Administrative Order for Penalties and to Cease and Desist Solicitation Activities (hereinafter referred to as "Order") signed by CSL Director, Gail L. Eluwa, to Thomas Davis Defending Dreams Foundation, Inc., assessing ONE THOUSAND DOLLARS (\$1,000.00) in financial penalties pursuant to the Charitable Solicitation Act and/or relevant Rules; and

WHEREAS, the Order was properly served and included a Notice of Appeal Rights to the Office of Administrative Hearings (OAH) in compliance with Article 3 of the North Carolina Administrative Procedure Act, N.C. Gen. Stat. §150B; and

WHEREAS, Thomas Davis Defending Dreams Foundation, Inc. appealed the Order and subsequently dismissed its appeal, instead desiring to enter into a settlement agreement to satisfy the financial penalty assessed in the aforementioned Order; and

WHEREAS, on August 8, 2016, Kelly Davis, Executive Director of Thomas Davis Defending Dreams Foundation, Inc. telephoned Verlyn C. Porte, CSL Attorney, regarding the administrative order and payment of the assessed penalty; and

WHEREAS, on August 8, 2016, Kelly Davis submitted the organization's charitable solicitation license renewal application to CSL, which satisfied the requirements for issuance of a charitable solicitation license pursuant to N.C.G.S. §131F-23(e)(4); and

WHEREAS, on August 15, 2016, Thomas Davis Defending Dreams Foundation, Inc. and the Department reached an agreement to accept FIVE HUNDRED DOLLARS (\$500.00) in settlement of the ONE THOUSAND DOLLARS (\$1000.00) penalty assessed in the June 20, 2016 Order; and

WHEREAS, Thomas Davis Defending Dreams Foundation, Inc.'s financial penalty payment of FIVE HUNDRED DOLLARS (\$500.00) was submitted to CSL on August 23, 2016, in full settlement of the ONE THOUSAND DOLLARS (\$1000.00) penalty assessed in the Order; and

WHEREAS, negotiations have been successful between the parties concerning the settlement agreement terms; and

THEREFORE, the parties have agreed to settle all outstanding issues through this Settlement Agreement, the specific terms of which are listed in the subsequent numbered paragraphs. The parties hereby agree as follows:

1. Thomas Davis Defending Dreams Foundation, Inc. through its Executive Director, Kelly Davis, and the Department through CSL Director, Gail L. Eluwa, agrees to the terms as outlined further in this Settlement Agreement to resolve all issues, including the financial penalties assessed in the Order issued by CSL to Thomas Davis Defending Dreams Foundation, Inc. on June 20, 2016.
2. Thomas Davis Defending Dreams Foundation, Inc. agrees that by entering into this Settlement Agreement, it will renew its charitable solicitation license within the timeline established by the CSL's policy; and acknowledges that failure to timely renew its charitable solicitation license may result in CSL's refusal to license the entity and the issuance of additional financial penalties.
3. Thomas Davis Defending Dreams Foundation, Inc. shall send two notarized copies of the original Settlement Agreement to be received by CSL on or before September 9, 2016 by the close of business (5:00 p.m.). This document shall be sent to the attention of Gail L. Eluwa, CSL Director, to one of the following addresses:

For regular mail, use the following address:

Gail L. Eluwa, CSL Director
North Carolina Department of the Secretary of State
Charitable Solicitation Licensing Division
Post Office Box 29622
Raleigh, NC 27626-0622

For overnight mail, use the following address:

Gail L. Eluwa, CSL Director
North Carolina Department of the Secretary of State
Charitable Solicitation Licensing Division
2 South Salisbury Street
Raleigh, NC 27601

4. If two copies of the fully executed settlement agreement are not received on or before the September 9, 2016 deadline, without further notice, CSL will issue an Order to assess further penalties up to ONE THOUSAND DOLLARS (\$1,000.00) per day for each day the settlement agreement is not received.

5. Thomas Davis Defending Dreams Foundation, Inc. acknowledges that by entering into this Settlement Agreement, it agrees not to contest the June 20, 2016 Order, and any of the provisions of the aforesaid Order, whether or not the challenge is barred by the applicable statute of limitations.

6. The parties agree that CSL does not waive any authority on behalf of the Secretary of State to take action in the future for any and all violations of the Charitable Solicitation Act, N. C. Gen. Stat. § 131F-1 *et seq.* and the relevant Rules provisions found in Chapter 11 of Title 18 of the North Carolina Administrative Code.

7. Entry into this Settlement Agreement by Thomas Davis Defending Dreams Foundation, Inc. is not an admission of liability for the violations set forth in the Order. Thomas Davis Defending Dreams Foundation, Inc., however, does not dispute that the facts set forth in the Order are accurate. CSL does not concede by entering into this Settlement Agreement that it

would not have prevailed at a hearing on this matter. The parties, however, agree that this Settlement Agreement is a compromise that avoids the time and expense of a hearing.

8. The parties agree that all parts of the Order issued by CSL on June 20, 2016, which are not addressed specifically in this Settlement Agreement are considered resolved without further proceedings related to this contested case.

9. This Settlement Agreement shall be given effect and shall be construed under the laws of the State of North Carolina, which retains jurisdiction of this matter.

10. The undersigned individuals represent that they have the legal capacity and authority to bind the entities on whose behalf they are signing with regard to all issues addressed by and resolved in this Settlement Agreement.

11. All parties acknowledge that they have entered into this Settlement Agreement freely and voluntarily and without any coercion.

12. All parties further acknowledge that they have read and understand the terms of this Agreement and that they have had the opportunity to consult with counsel in deciding whether to enter into this Agreement.

13. This Settlement Agreement constitutes the entire agreement reached by the parties hereto. Any discussions outside the terms of this Agreement are not a part hereof.

14. Any modifications to this Settlement Agreement must be in writing and signed by all parties.

15. This Settlement Agreement shall first be signed by Kelly Davis, Executive Director, Thomas Davis Defending Dreams Foundation, Inc., under oath before a Notary Public and then forwarded to Gail L. Eluwa, CSL Director, for signature. The Agreement is effective

on the date on which Kelly Davis signs under oath, before a Notary Public, on behalf of Thomas Davis Defending Dreams Foundation, Inc.

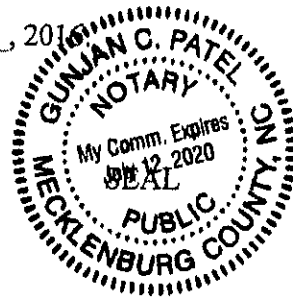
Kelly Davis
Kelly Davis, Director
Thomas Davis Defending Dreams Foundation, Inc.

Sworn to and subscribed before me,

This the 30th day of AUGUST, 2016

Ganjan Patel
Notary Public

Mecklenburg, NC
County and State



My commission expires: 07-12-2020

Gail L. Eluwa
Gail L. Eluwa, Director
Charitable Solicitation Licensing Division
North Carolina Secretary of State

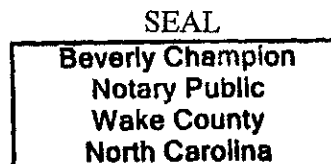
Sworn to and subscribed before me,

This the 2nd day of September, 2016.

Beverly Champion
Notary Public

Wake County, North Carolina
County and State

My commission expires: April 20, 2021



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U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage \$	Restricted Delivery Fee (Endorsement Required)
Postmark Here	Return Receipt Fee (Endorsement Required)
5 SL009306 CO 5100001 10101 0011000 0010	
KELLY D DAVIS, EXECUTIVE DIRECTOR	
THOMAS DAVIS DEFENDING DREAMS FOUNDATION	
13000 S TRYON ST STE F PO BOX 259	
CHARLOTTE NC 28273	
PS Form 3800, August 2006 See Reverse for Instructions	

FR: COMPLETE THIS SECTION

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:

5 SL009306 CO
KELLY D DAVIS, EXECUTIVE DIRECTOR
THOMAS DAVIS DEFENDING DREAMS FOUNDATION
13000 S TRYON ST STE F PO BOX 259
CHARLOTTE NC 28273

COMPLETE THIS SECTION ON DELIVERY

A. Signature

[Handwritten Signature]

☒ Agent

☐ Addressee

B. Received by (Printed Name)

[Handwritten: SURESH]

C. Date of Delivery

[Handwritten: 9/9/16]

D. Is delivery address different from item 12?
If YES, enter delivery address below:

☐ Yes
☐ No

3. Service Type

☐ Certified Mail® ☐ Priority Mail Express™

☐ Registered ☐ Return Receipt for Merchandise

☐ Insured Mail ☐ Collect on Delivery

4. Restricted Delivery? (Extra Fee)

☐ Yes

2. Article Number

(Transfer from service label)

7014 0510 0001 6442 6031

PS Form 3811, July 2013

Domestic Return Receipt